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PART II—Section 2

प्राधिकार से प्रकाशित

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इस भाग में विशेष पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।

Separate paging is given to this Part in order that it may be filed
as a separate compilation

LOK SABHA

The following Bills were introduced in Lok Sabha on 19th April, 1993:—

BILL NO. 45 OF 1993

A Bill to provide for the prohibition of employment of manual scavengers as well as construction or continuance of dry latrines and for the regulation of construction and maintenance of water-seal latrines and for matters connected therewith or incidental thereto.

WHEREAS fraternity assuring the dignity of the individual has been enshrined in the Preamble to the Constitution;

AND WHEREAS article 47 of the Constitution, *inter alia*, provides that the State shall regard raising the standard of living of its people and the improvement of public health as among its primary duties;

AND WHEREAS the dehumanising practice of manual scavenging of human excreta still continues in many parts of the country;

AND WHEREAS the municipal laws by themselves as a measure for conversion of dry latrines into water-seal latrines and prevention of construction of dry latrines are not stringent enough to eliminate this practice;

AND WHEREAS it is necessary to enact a uniform legislation for the whole of India for abolishing manual scavenging by declaring employment of manual scavengers for removal of human excreta an offence and thereby ban the further proliferation of dry latrines in the country;

AND WHEREAS it is desirable for eliminating the dehumanising practice of employment of manual scavengers and for protecting and improving

the human environment to make it obligatory to convert dry latrines into water-seal latrines or to construct water-seal latrines in new constructions;

AND WHEREAS Parliament has no power to make laws for the States with respect to the matters aforesaid, except as provided in articles 249 and 250 of the Constitution;

AND WHEREAS in pursuance of clause (1) of article 252 of the Constitution, resolutions have been passed by all the Houses of the Legislatures of the States of Goa, Karnataka, Maharashtra, Tripura and West Bengal that the matters foresaid should be regulated in those States by Parliament by law;

Be it enacted by Parliament in the Forty-fourth Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

Short title, application and commencement.

1. (1) This Act may be called the Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act, 1993.

(2) It applies in the first instance to the whole of the States of Goa, Karnataka, Maharashtra, Tripura and West Bengal and to all the Union territories and it shall also apply to such other State which adopts this Act by resolution passed in that behalf under clause (1) of article 252 of the Constitution.

(3) It shall come into force in the States of Goa, Karnataka, Maharashtra, Tripura and West Bengal and in the Union territories on such date as the Central Government may, by notification, appoint and in any other State which adopts this Act under clause (1) of article 252 of the Constitution, on the date of such adoption.

Definitions.

2. In this Act, unless the context otherwise requires,—

(a) "area", in relation to any provision of this Act, means such area as the State Government may, having regard to the requirements of that provision, specify by notification;

(b) "building" means a house, out-house, stable, latrine, urinal, sheet house, hut, wall (other than a boundary wall) or any other structure whether made of masonry, bricks, wood, mud, metal or other material;

(c) "dry latrine" means a latrine other than a water-seal latrine;

(d) "environment" includes water, air and land and the inter-relationship which exists among and between water, air and land and human beings, other living creatures, plants, micro-organism and property;

(e) "environmental pollutant" means any solid, liquid or gaseous substance present in such concentration as may be, or tend to be, injurious to environment;

(f) "environmental pollution" means the presence in the environment of any environmental pollutant;

(g) "Executive Authority" means an Executive Authority appointed under sub-section (1) of section 5;

1 of 1956.

(h) "HUDCO" means the Housing and Urban Development Corporation Limited, a Government company registered by that name under the Companies Act, 1956;

(i) "latrine" means a place set apart for defecation together with the structure comprising such place, the receptacle therein for collection of human excreta and the fittings and apparatus, if any, connected therewith;

(j) "manual scavenger" means a person engaged or employed for manually carrying human excreta and the expression "manual scavenging" shall be construed accordingly;

(k) "notification" means a notification published in the Official Gazette;

(l) "prescribed" means prescribed by rules made under this Act;

(m) "State Government", in relation to a Union territory, means the Administrator thereof appointed under article 239 of the Constitution;

(n) "water-seal latrine" means a pour-flush latrine, water flush latrine or a sanitary latrine with a minimum water-seal of 20 millimetres diameter in which human excreta is pushed in or flushed by water.

CHAPTER II

PROHIBITION OF EMPLOYMENT OF MANUAL SCAVENGERS, ETC.

3. (1) Subject to sub-section (2) and the other provisions of this Act, with effect from such date and in such area as the State Government may, by notification, specify in this behalf, no person shall—

(a) engage or employ or permit to be engaged or employed any other person for manually carrying human excreta; or
 (b) construct or maintain a dry latrine.

Prohibition of employment of manual scavengers, etc.

(2) The State Government shall not issue a notification under sub-section (1) unless—

(i) it has, by notification, given not less than ninety days, notice of its intention to do so;
 (ii) adequate facilities for the use of water-seal latrines in that area exist; and
 (iii) it is necessary or expedient to do so for the protection and improvement of the environment or public health in that area.

4. The State Government may, by a general or special order published in the Official Gazette, and upon such conditions, if any, as it may think fit to impose, exempt any area, category of buildings or class of persons from any provisions of this Act or from any specified requirement contained in this Act or any rule, order, notification or scheme made thereunder or dispense with the observance of any such requirement in a class or classes of cases, if it is satisfied that compliance with such provisions or such requirement is or ought to be exempted or dispensed with in the circumstances of the case.

Power to exempt.

CHAPTER III

IMPLEMENTING AUTHORITIES AND SCHEMES

Appointment of Executive Authorities and their powers and functions.

5. (1) The State Government may, by order published in the Official Gazette, appoint a District Magistrate or a Sub-Divisional Magistrate, as an Executive Authority to exercise jurisdiction within such area as may be specified in the order and confer such powers and impose such duties on him, as may be necessary to ensure that the provisions of this Act are properly carried out and the Executive Authority may specify the officer or officers, subordinate to him, who shall exercise all or any of the powers, and perform all or any of the duties, so conferred or imposed and the local limits within which such powers or duties shall be carried out by the officer or officers so specified.

(2) The Executive Authority appointed under sub-section (1) and the officer or officers specified under that sub-section shall, as far as practicable, try to rehabilitate and promote the welfare of the persons who were engaged or employed as manual scavengers in any area in respect of which a notification under sub-section (1) of section 3 has been issued by securing and protecting their economic interests.

Power of State Government to make schemes.

6. (1) The State Government may, by notification, make one or more schemes for regulating conversion of dry latrines into, or construction and maintenance of, water-seal latrines, rehabilitation of the persons who were engaged or employed as manual scavengers in any area in respect of which a notification under sub-section (1) of section 3 has been issued in gainful employment and administration of such schemes and different schemes may be made in relation to different areas and for different purposes of this Act;

Provided that no such scheme as involving financial assistance from the HUDCO shall be made without consulting it.

(2) In particular, and without prejudice to the generality of the foregoing power, such schemes may provide for all or any of the following matters, namely:—

- (a) time-bound phased programme for the conversion of dry latrines into water-seal latrines;
- (b) provision of technical or financial assistance for new or alternate low cost sanitation to local bodies or other agencies;
- (c) construction and maintenance of community latrines and regulation of their use on pay and use basis;
- (d) construction and maintenance of shared latrines in slum areas or for the benefit of socially and economically backward classes of citizens;
- (e) registration of manual scavengers and their rehabilitation;
- (f) specification and standards of water-seal latrines;
- (g) procedure for conversion of dry latrines into water-seal latrines;
- (h) licensing for collection of fees in respect of community latrines or shared latrines.

7. Notwithstanding anything contained in any other law but subject to the other provisions of this Act, the State Government may, in the exercise of its powers and performance of its functions under this Act, issue directions in writing to any person, officer or local or other authority and such person, officer or a local or other authority shall be bound to comply with such directions.

Power of State Government to issue directions.

8. All Executive Authorities, all officers and other employees of such authorities including the officers authorised under sub-section (1) of section 5, all inspectors appointed under sub-section (1) of section 9 and all officers and other employees authorised to execute a scheme or order made under this Act, when acting or purporting to act in pursuance of any provisions of this Act or the rules or schemes made or orders or directions issued thereunder, shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code.

45 of 1860.

Executive Authorities, inspectors officers and other employees of such authorities to be public servants.

9. (1) The State Government may, by notification, appoint such persons as it may think fit to be inspectors for the purposes of this Act, and define the local limits within which they shall exercise their powers under this Act.

Appoint- ment of inspectors and their powers of entry and inspection.

(2) Every inspector within the local limits of jurisdiction of an Executive Authority shall be subordinate to such authority.

(3) Subject to any rules made in this behalf by the State Government, an inspector may, within the local limits of his jurisdiction, enter, at all reasonable times, with such assistance as he considers necessary, any place for the purpose of—

(a) performing any of the functions of the Executive Authority entrusted to him;

(b) determining whether and if so in what manner, any such functions are to be performed or whether any provisions of this Act or the rules, orders or schemes made thereunder or any notice, order, direction or authorisation served, made, given or granted under this Act is being or has been complied with;

(c) examining and testing any latrine or for conducting an inspection of any building in which he has reason to believe that an offence under this Act or the rules, orders or schemes made thereunder has been or is being or is about to be committed and to prevent or mitigate environmental pollution.

10. (1) On receipt of information with respect to the fact or apprehension of any occurrence of contravention of the provisions of section 3, whether through intimation by some person or on a report of the inspector or otherwise, the Executive Authority shall, as early as practicable, besides taking any other action under this Act, direct the owner or occupier of the premises to take such remedial measures, as may be necessary, within such reasonable time as may be specified therein and in case the owner or occupier, as the case may be, fails to comply with such directions, cause such remedial measures to be taken as are necessary to prevent or mitigate the environmental pollution at the cost of such owner or occupier of the premises.

Power of Executive Authority to prevent environmental pollution in certain cases.

(2) The expenses, if any, incurred by the Executive Authority with respect to the remedial measures referred to in sub-section (1), together with interest at such rate as the State Government may specify from the date when a demand for the expenses is made until it is paid, may be recovered by such authority or agency from the person concerned as arrears of land revenue or of public demand.

Duty of
HUDCO
to extend
financial
assistance
in certain
cases.

11. (1) Notwithstanding anything contained in its Memorandum of Association or Articles of Association or schemes for the grant of loans for housing and urban development, it shall be the duty of HUDCO to extend, in suitable cases, financial assistance for the implementation of such schemes for the construction of water-seal latrines as may be made under section 6.

(2) The financial assistance referred to in sub-section (1) may be extended by HUDCO on such terms and conditions (including on easy and concessional rates of interest) and in such manner as it may think fit in each case or class of cases.

Power to
levy fee.

12. Any order or scheme which the State Government is empowered to make under this Act may, notwithstanding the absence of any express provision to that effect, provide for levy of fees in respect of—

- (a) community latrines constructed under a scheme on pay-and-use basis; or
- (b) shared latrines constructed under a scheme; or
- (c) supply of copies of documents or orders or extracts therefrom; or
- (d) licensing of contractors for construction of water-seal latrines; or
- (e) any other purpose or matter involving rendering of service by any officer, committee or authority under this Act or any rule, direction, order or scheme made thereunder;

Provided that the State Government may, if it considers necessary so to do, in the public interest, by general or special order published in the Official Gazette, grant exemption on such grounds as it deems fit from the payment of any such fee either in part or in full.

Constitu-
tion of
commit-
tees.

13. (1) The Central Government may, by notification, constitute—

- (a) one or more Project Committees for appraising of the schemes for the construction of water-seal latrines in the country;
- (b) one or more Monitoring Committees to monitor the progress of such schemes;
- (c) such other committees for such purposes of the Act and with such names as the Central Government may deem fit.

(2) The composition of the committees constituted by the Central Government, the powers and functions thereof, the terms and conditions of appointment of the members of such committees and other matters connected therewith shall be such as the Central Government may prescribe.

(3) The members of the committees under sub-section (1) shall be paid such fees and allowances for attending the meetings as may be prescribed.

(4) The State Government may, by notification, constitute—

(a) one or more State Co-ordination Committees for co-ordinating and monitoring of the programmes for the construction of water-seal latrines in the State and rehabilitation of the persons who were engaged or employed as manual scavengers in any area in respect of which a notification under sub-section (1) of section 3 has been issued;

(b) such other committees for such purpose of the Act and with such names as the State Government may deem fit.

(5) The composition of the committees constituted by the State Government, the powers and functions thereof, the terms and conditions of the members of such committees and other matters connected therewith shall be such as the State Government may prescribe.

(6) The members of the committees under sub-section (4) shall be paid such fees and allowances for attending the meetings as may be prescribed.

CHAPTER IV

PENALTIES AND PROCEDURE

14. Whoever fails to comply with or contravenes any of the provisions of this Act, or the rules or schemes made or orders or directions issued thereunder, shall, in respect of each such failure or contravention be punishable with imprisonment for a term which may extend to one year or with fine, which may extend to two thousand rupees, or with both, and in case the failure or contravention continues, with additional fine which may extend to one hundred rupees for every day during which such failure or contravention continues after the conviction for the first such failure or contravention.

Penalty for contravention of the provisions of the Act and rules, orders, directions and schemes.

15. (1) If the person committing an offence under this Act is a company, the company as well as every person in charge of, and responsible to, the company for the conduct of its business at the time of the commission of the offence, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly;

Offences by companies.

Provided that nothing contained in this sub-section shall render any such person liable to any punishment, if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or that the commission of the offence is attributable to any neglect on the part of any director, manager, managing agent or such other officer of the company, such director, manager, managing agent or such other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

*Explanation.—*For the purposes of this section,—

(a) “company” means any body corporate and includes a firm or other association of individuals; and

Offences to be cognizable.
Provision in relation to jurisdiction.

Limitation of prosecution.

Information reports or returns.

Protection of action taken in good faith.

Effects of other laws and agreements inconsistent with the Act.

Power of Central Government to make rules.

2 of 1974.

(b) "director", in relation to a firm, means a partner in the firm.

16. Notwithstanding anything contained in the Code of Criminal Procedure, 1973, every offence under this Act shall be cognizable.

17. (1) No court inferior to that of a Metropolitan Magistrate or a Judicial Magistrate of the first class shall try any offence under this Act.

(2) No prosecution for any offence under this Act shall be instituted except by or with the previous sanction of the Executive Authority.

(3) No court shall take cognizance of any offence under this Act except upon a complaint made by a person generally or specially authorised in this behalf by the Executive Authority.

18. No court shall take cognizance of an offence punishable under this Act unless the complaint thereof is made within three months from the date on which the alleged commission of the offence came to the knowledge of the complainant.

CHAPTER V

MISCELLANEOUS

19. The Central Government may, in relation to its functions under this Act, from time to time, require any person, officer, State Government or other authority to furnish to it, any prescribed authority or officer any reports, returns, statistics, accounts and other information as may be deemed necessary and such person, officer, State Government or other authority, as the case may be, shall be bound to do so.

20. No suit, prosecution or other legal proceedings shall lie against the Government or any officer or other employee of the Government or any authority constituted under this Act or executing any scheme made under this Act or any member, officer or other employee of such authority or authorities in respect of anything which is done or intended to be done in good faith in pursuance of this Act or the rules or schemes made, or the orders or directions issued, thereunder.

21. (1) Subject to the provisions of sub-section (2), the provisions of this Act, rules, schemes or orders made thereunder shall have effect notwithstanding anything inconsistent therewith contained in any enactment other than this Act, custom, tradition, contract, agreement or other instrument.

(2) If any act or omission constitutes an offence punishable under this Act and also under any other Act, then, the offender found guilty of such offence shall be liable to be punished under the other Act and not under this Act.

22. (1) The Central Government may, by notification, make rules to carry out the provisions of this Act.

(2) Without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(i) the composition of the Project Committees Monitoring Committees and other committees constituted by the Central Government under sub-section (1) of section 13, the powers and functions thereof, the number of members and their terms and conditions of appointment and other matters connected therewith;

(ii) the fees and allowances to be paid to the members of the committees constituted under sub-section (1) of section 13.

(3) Every rule made by the Central Government under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

23. (1) The State Government may, by notification, make rules, not being a matter for which the rules are or required to be made by the Central Government, for carrying out the provisions of this Act.

(2) Without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(i) the composition of the State Co-ordination Committees and other committees constituted by the State Government under sub-section (4) of section 13, the powers and functions thereof, the number of members and their terms and conditions of appointment and other matters connected therewith;

(ii) the fees and allowances to be paid to the members of the committees constituted under sub-section (4) of section 13;

(iii) any other matter which is required to be, or may be, prescribed.

(3) Every rule and scheme made by the State Government under this Act shall be laid, as soon as may be after it is made, before the State Legislature.

24. (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order published in the Official Gazette, make such provisions, not inconsistent with the provisions of this Act, as may appear to it to be necessary or expedient for the removal of the difficulty;

Provided that no such order shall be made in relation to a State after the expiration of three years from the commencement of this Act in that State.

(2) Every order made under this section shall, as soon as may be after it is made, be laid before each House of Parliament.

Power of State Government to make rules.

Power to remove difficulties.

STATEMENT OF OBJECTS AND REASONS

Despite the fact that concerted efforts have been made to eliminate the dehumanising practice of employing persons for carrying human excreta on their heads or like wise, the practice still persists in certain parts of the country. It is, therefore, proposed to prohibit the said practice by making the employment or engagement of manual scavengers a punishable offence. Further, a massive centrally sponsored programme is under implementation for conversion of dry latrines into, and construction of new water-seal latrines in buildings. On completion of the programme in a State, it has to declare itself as a manual scavenger free State. In order to supplement the existing efforts for complete elimination of dry latrines and to ensure the construction of water-seal latrines in all buildings, it is also proposed to make constructions or maintenance of dry latrines as a punishable offence.

2. It is also felt that the existing municipal laws are not stringent enough to eliminate the practice. However, as the subject-matter—"manual scavenging", in pith and substance, falls under the State List, suitable uniform legislation for the whole of India could not be made without the necessary resolutions being passed by the various State legislature. The legislatures of the States of Goa, Karnataka, Maharashtra, Tripura and West Bengal have passed the necessary resolutions in pursuance of clause (1) of article 252 of the Constitution empowering Parliament to undertake the legislation for prohibiting employment of manual scavengers as well as construction or continuance of dry latrines and for the regulation of construction and maintenance of water-seal latrines and for matters connected therewith or incidental thereto.

3. The Bill *inter alia*, provides for—

- (a) making employment or engaging of manual scavenger a punishable offence;
- (b) formulation of various schemes for conversion of dry latrines into water-seal latrines, rendering of technical and financial assistance for new or alternative low cost sanitation to local bodies and other agencies, construction and maintenance of community latrines and regulation of their use on pay and use basis, construction and maintenance of shared latrines in slum areas for the benefit of socially and economically backward classes of citizens, registration of manual scavengers and their rehabilitation through alternative employments, etc., and financing by the Housing and Urban Development Corporation Limited or other agencies for the construction of water-seal latrines or conversion of dry latrines into water-seal latrines;
- (c) proper implementation of the legislation by the State Governments through the Executive Authorities;
- (d) the appointment of proper inspection staff;
- (e) constitution of Project Committees for appraising of the schemes for the construction of waterseal latrines in the country and Monitoring Committees, for the monitoring of the progress of the schemes, etc., by the Central Government.
- (f) constitution of State Co-ordination Committees and such other committees by the State Governments as may be necessary for the proper co-ordination of the programmes under the legislation.

4. The Bill seeks to achieve the above objects.

NEW DELHI;

SHEJLA KAUL.

The 1st March, 1993.

FINANCIAL MEMORANDUM

Sub-clause (1) of clause 13 of the Bill provides that the Central Government may, by notification, constitute Project Committees, Monitoring Committees and such other committees for the proper implementation of the Act. Similarly, *vide* sub-clause (4) of the said clause 13, the State Governments are empowered to constitute State Co-ordination Committees and other Committees. Sub-clause (3) of clause 13 provides that the members of the Committees constituted by the Central Government shall be paid such fees and allowances as may be prescribed by rules for attending the meetings of the Committees. The members of the State Committees are also to be paid such fees and allowances for attending the meetings as may be prescribed by the State Government. In respect of the Committees as may be constituted by the Central Government as well as in respect of the Committees as may be constituted by the Union territory administrations without legislature expenditure shall have to be borne out of the Consolidated Fund of India. It is estimated that a recurring expenditure of Rs. 10,000/- shall be required annually for meeting the above expenditure. During the current financial year i.e. 1992-93, it is estimated that the above expenditure may be to the tune of Rs. 5000/-.

2. There shall be no non-recurring expenditure.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 4 of the Bill empowers the State Government to issue general or special orders, published in the Official Gazette, exempting, upon such conditions as it may think fit, any area, category of buildings or class of persons from any provisions of the Bill or from any specified requirement contained in the Bill or any rule, order, notification or scheme made thereunder or dispense with the observance of any such requirements in a class or classes of cases, if it is satisfied that compliance with such provisions or such requirements is or ought to be exempted or dispensed within the circumstances of the case.

2. Clause 6 of the Bill empowers the State Government to make one or more schemes, by notification in the Official Gazette, for regulating conversion of dry latrines into, or construction and maintenance of, water-seal latrines, rehabilitation of the persons who were engaged or employed as manual scavengers in any area in respect of which a notification under sub-clause (1) of clause 3 of the Bill has been issued in gainful employment and for administration of such schemes. Sub-clause (2) of the said clause 6 enumerates the matters in respect of which such schemes may be made. Different schemes may be made for different areas and for different purposes of the proposed legislation provided that the schemes involving financial assistance from the HUDCO are required to be made after consulting them.

3. Clause 22 of the Bill empowers the Central Government to make rules, by notification in the Official Gazette, for carrying out the provisions of the Bill. Such rules may be made, *inter alia*, to prescribe the composition of the Project Committees, Monitoring Committees and other Committees constituted by the Central Government under sub-clause (1) of clause 16 of the Bill, the powers, functions and the number of members of such Committees, their terms and conditions of appointment and the fees and allowances to be paid to the members of the committees so constituted.

4. Clause 23 of the Bill empowers the State Government to make rules, by notification in the Official Gazette, except where the Central Government is or has been required to make rules, for carrying out the provisions of the Bill. Such rules may be made *inter alia*, to prescribe the composition of the State Co-ordination Committees and other Committees constituted by the State Government under sub-clause (4) of section 13 of the Bill, the powers, functions and the number of members of such Committees, their terms and conditions of appointment, the fees and allowances to be paid to such members, etc.

5. Every scheme and every rule made by the State Government under clause 6 and clause 23 respectively is required to be laid before the State legislature and every rule made by the Central Government under clause 22 is required to be laid before Parliament.

6. The delegation of legislative power under the afore-mentioned provisions relate to matters or procedure or administrative detail or to matters in respect of which it is not practicable to make detailed provisions. Hence, the delegation of legislative power is of a normal character.

BILL NO. 23 OF 1993

A Bill to amend and consolidate the law relating to trade marks, to provide for registration and better protection of trade marks for goods and services and for the prevention of the use of fraudulent marks.

Be it enacted by Parliament in the Forty-fourth Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

- (1) This Act may be called the Trade Marks Act, 1993.
- (2) It extends to the whole of India.
- (3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint:

Short title, extent and commencement.

Provided that different dates may be appointed for different provisions of this Act, and any reference in such provision to the commencement of this Act shall be construed as a reference to the coming into force of that provision.

- (1) In this Act, unless the context otherwise requires,—

Definitions and interpretation.

(a) "Appellate Board" means the Appellate Board established under section 84;

(b) "assignment" means an assignment in writing by act of the parties concerned;

(c) "associated trade marks" means trade marks deemed to be, or required to be, registered as associated trade marks under this Act;

(d) "Bench" means a Bench of the Appellate Board;

(e) "certification trade mark" means a mark capable of distinguishing the goods or services in connection with which it is used in the course of trade which are certified by the proprietor of the mark in respect of origin, material, mode of manufacture of goods or performance of services, quality, accuracy or other characteristics from goods or services not so certified and registrable as such under Chapter IX in respect of those goods or services in the name, as proprietor of the certification trade mark, of that person;

(f) "Chairman" means the Chairman of the Appellate Board;

(g) "collective mark" means a trade mark distinguishing the goods or services of members of an association of persons which is the proprietor of the mark from those of others;

(h) "deceptively similar".—A mark shall be deemed to be deceptively similar to another mark if it so nearly resembles that other mark as to be likely to deceive or cause confusion;

(i) "false trade description" means—

(I) a trade description which is untrue or misleading in a material respect as regards the goods or services to which it is applied; or

(II) any alteration of a trade description as regards the goods or services to which it is applied, whether by way of addition, effacement or otherwise, where that alteration makes the description untrue or misleading in a material respect; or

(III) any trade description which denotes or implies that there are contained, as regards the goods to which it is applied, more yards or metres than there are contained therein standard yards or standard metres; or

(IV) any marks or arrangement or combination thereof when applied—

(a) to goods in such a manner as to be likely to lead persons to believe that the goods are the manufacture or merchandise of some person other than the person whose merchandise or manufacture they really are;

(b) in relation to services in such a manner as to be likely to lead persons to believe that the services are provided or rendered by some person other than the person whose services they really are; or

(V) any false name or initials of a person applied to goods or services in such manner as if such name or initials were a trade description in any case where the name or initials—

(a) is or are not a trade mark or part of a trade mark; and

(b) is or are identical with or deceptively similar to the name or initials of a person carrying on business in connection with goods or services of the same description or both and who has not authorised the use of such name or initials; and

(c) is or are either the name or initials of a fictitious person or of some person not *bona fide* carrying on business in connection with such goods or services,

and the fact that a trade description is a trade mark or part of a trade mark shall not prevent such trade description being a false trade description within the meaning of this Act;

(j) "limitations" (with its grammatical variations) means any limitation of the exclusive right to the use of a trade mark given by the registration of a person as proprietor thereof, including limitations of that right as to mode or area of use within India or outside India;

(k) "mark" includes a device, brand, heading, label, ticket, name, signature, word, letter, numeral, the shape of goods, packaging, combination of colours or any combination thereof;

(l) "Member" means a Member of the Appellate Board and includes the Chairman;

(m) "name" includes any abbreviation of a name;

(n) "notify" means to notify in the Trade Mark Journal published by the Registrar;

(o) "package" includes any case, box, container, covering, folder, receptacle, vessel, casket, bottle, wrapper, label, band, ticket, reel, frame, capsule, cap, lid, stopper and cork;

(p) "permitted use", in relation to a registered trade mark, means the use of a trade mark—

(i) by a registered user of the trade mark in relation to goods or services—

(a) with which he is connected in the course of trade; and

(b) in respect of which the trade mark remains registered for the time being; and

(c) for which he is registered as registered user; and

(d) which complies with any conditions or limitations to which the registration of registered user is subject; or

(ii) by a person other than the registered proprietor and registered user in relation to goods or services—

(a) with which he is connected in the course of trade; and

(b) in respect of which the trade mark remains registered for the time being; and

(c) by consent of such registered proprietor in a written agreement; and

(d) which complies with any conditions or limitations to which such user is subject and to which the registration of the trade mark is subject;

(q) "prescribed" means prescribed by rules made under this Act;

(r) "register" means the Register of Trade Marks referred to in sub-section (1) of section 6;

(s) "registered" (with its grammatical variations) means registered under this Act;

(t) "registered proprietor", in relation to a trade mark, means the person for the time being entered in the register as proprietor of the trade mark;

(u) "registered trade mark" means a trade mark which is actually on the register and remaining in force;

(v) "registered user" means a person who is for the time being registered as such under section 49;

(w) "Registrar" means the Registrar of Trade Marks referred to in section 3;

(x) "service" means service of any description which is made available to potential users and includes the provision of services in connection with business of any industrial or commercial matters such as banking, communication, education, financing, insurance, chit funds, real estate, transport, processing, supply of electrical or other energy, boarding or lodging, or both, entertainment, amusement or the conveying of news or information and advertising;

(y) "trade description" means any description, statement or other indication, direct or indirect,—

(i) as to the number, quantity, measure, gauge or weight of any goods; or

(ii) as to the standard of quality of any goods or services according to a classification commonly used or recognised in the trade; or

(iii) as to fitness for the purpose, strength, performance or behaviour of any goods, being "drug" as defined in the Drugs and Cosmetics Act, 1940, or "food" as defined in the Prevention of Food Adulteration Act, 1954; or

(iv) as to the place or country in which or the time at which any goods or services were made, produced or provided, as the case may be; or

(v) as to the name and address or other indication of the identity of the manufacturer or of the person providing the services or of the person for whom the goods are manufactured or services provided; or

(vi) as to the mode of manufacture or producing any goods or providing services; or

(vii) as to the material of which any goods are composed; or

(viii) as to any goods being the subject of an existing patent, privilege or copyright,

and includes—

(a) any description as the use of any mark which according to the custom of the trade is commonly taken to be an indication of any of the above matters;

(b) the description as to any imported goods contained in any bill of entry or shipping bill;

(c) any other description which is likely to be misunderstood or mistaken for all or any of the said matters;

(z) "trade mark" means a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others and may include, shape of goods, their packaging and combination of colours; and—

(i) in relation to Chapter XII (other than section 108), a registered trade mark or a mark used in relation to goods or services for the purpose of indicating or so as to indicate a connection in the course of trade between the goods or services, as the case may be, and some person having the right as proprietor to use the mark; and

(ii) in relation to other provisions of this Act, a mark used or proposed to be used in relation to goods or services for the purpose of indicating or so as to indicate a connection in the course of trade between the goods or services, as the case may be, and some person having the right, either as proprietor or by way of permitted use, to use the mark whether with or without any indication of the identity of that person, and includes a certification trade mark or collective mark;

(za) "transmission" means transmission by operation of law, devolution on the personal representative of a deceased person and any other mode of transfer, not being assignment;

(zb) "tribunal" means the Registrar or, as the case may be, the Appellate Board, before which the proceeding concerned is pending.

(2) In this Act, unless the context otherwise requires, any reference—

(a) to "trade mark" shall include reference to "collective mark" or "certification trade mark";

(b) to the use of a mark shall be construed as a reference to the use of a printed or other visual representation of the mark;

(c) to the use of a mark,—

(i) in relation to goods, shall be construed as a reference to the use of the mark upon, or in any physical or in any other relation whatsoever, to such goods;

- (ii) in relation to services, shall be construed as a reference to the use of the mark as or as part of any statement about the availability, provision or performance of service;
- (d) to the Registrar shall be construed as including a reference to any officer when discharging the functions of the Registrar in pursuance of sub-section (2) of section 3;
- (e) to the Trade Marks Registry shall be construed as including a reference to any office of the Trade Marks Registry.
- (3) For the purposes of this Act, goods and services are associated with each other if it is likely that those goods might be sold or otherwise traded in and those services might be provided by the same business and so with descriptions of goods and descriptions of services.
- (4) For the purposes of this Act, "existing registered trade mark" means a trade mark registered under the Trade and Merchandise Marks Act, 1958 immediately before the commencement of this Act.

43 of 1958.

CHAPTER II

THE REGISTER AND CONDITIONS FOR REGISTRATION

Appoint-
ment of
Regis-
trar and
other
officers.

3. (1) The Central Government may, by notification in the Official Gazette, appoint a person to be known as the Controller-General of Patents, Designs and Trade Marks, who shall be the Registrar of Trade Marks for the purposes of this Act.

(2) The Central Government may appoint such other officers with such designations as it thinks fit for the purpose of discharging, under the superintendence and direction of the Registrar, such functions of the Registrar under this Act as he may from time to time authorise them to discharge.

Power of
Regis-
trar to
with-
draw or
transfer
cases,
etc.

4. Without prejudice to the generality of the provisions of sub-section (2) of section 3, the Registrar may, by order in writing and for reasons to be recorded therein, withdraw any matter pending before an officer appointed under the said sub-section (2) and deal with such matter himself either *de novo* or from the stage it was so withdrawn or transfer the same to another officer so appointed who may, subject to special directions in the order of transfer, proceed with the matter either *de novo* or from the stage it was so transferred.

Trade
Marks
Registry
and
offices
thereof.

5. (1) For the purpose to this Act, there shall be a trade marks registry and the Trade Marks Registry established under the Trade and Merchandise Marks Act, 1958, shall be the Trade Marks Registry under this Act.

43 of 1958.

(2) The head office of the Trade Marks Registry shall be at such place as the Central Government may specify, and for the purpose of facilitating the registration of trade marks, there may be established at such places as the Central Government may think fit branch offices of the Trade Marks Registry.

(3) The Central Government may, by notification in the Official Gazette, define the territorial limits within which an office of the Trade Marks Registry may exercise its functions.

(4) There shall be a seal of the Trade Marks Registry.

6. (1) For the purposes of this Act, a record called the Register of Trade Marks shall be kept at the head office of the Trade Marks Registry wherein shall be entered all registered trade marks with the names, addresses and description of the proprietors, notifications of assignment and transmissions, the names, addresses and descriptions of registered users, conditions, limitations and such other matters relating to registered trade marks as may be prescribed.

The
Register
of
Trade
Marks.

(2) No notice of any trust, express or implied or constructive, shall be entered in the register and no such notice shall be receivable by the Registrar.

(3) The register shall be kept under the control and management of the Registrar.

(4) There shall be kept at each branch office of the Trade Marks Registry a copy of the register and such of the other documents mentioned in section 149 as the Central Government may, by notification in the Official Gazette, direct.

7. (1) The Registrar shall classify goods and services as far as may be, in accordance with the International classification of goods and services for the purposes of registration of trade marks.

Classifi-
cation of
goods
and
services.

(2) Any question arising as to the class within which any goods or services fall shall be determined by the Registrar whose decision shall be final.

8. The Registrar shall publish in the prescribed manner an alphabetical index of classification of goods and services referred to in section 7.

Publi-
cation of
alpha-
betical
index.

9. (1) The trade marks—

Absolute
grounds
for re-
fusal of
regis-
tration.

(a) which are devoid of any distinctive character;

(b) which consist exclusively of marks or indications which may serve in trade to designate the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or rendering of the service or other characteristics of the goods or service;

(c) which consist exclusively of marks or indications which have become customary in the current language or in the *bona fide* and established practices of the trade,
shall not be registered:

Provided that a trade mark shall not be refused registration if before the date of application for registration it has acquired a distinctive character as a result of the use made of it.

(2) A mark shall not be registered as a trade mark if—

(a) it is of such nature as to deceive the public or cause confusion;

(b) it contains or comprises of any matter likely to hurt the religious susceptibilities of any class or section of the citizens of India;

- (c) it comprises or contains scandalous or obscene matter;
- (d) its use is prohibited under the Emblems and Names (Prevention of Improper Use) Act, 1950.

12 of 1950.

(3) A mark shall not be registered as a trade mark if it consists exclusively of—

- (a) the shape of goods which results from the nature of the goods themselves; or
- (b) the shape of goods which is necessary to obtain a technical result; or
- (c) the shape which gives substantial value to the goods.

Limitation as to colour.

10. (1) A trade mark may be limited wholly or in part to any combination of colours and any such limitation shall be taken into consideration by the tribunal having to decide on the distinctive character of the trade mark.

(2) So far as a trade mark is registered without limitation of colour, it shall be deemed to be registered for all colours.

Relative grounds for refusal of registration.

11. (1) Save as provided in section 12, a trade mark shall not be registered if, because of—

- (a) its identity with an earlier trade mark and similarity of goods or services covered by the trade mark; or
- (b) its similarity to an earlier trade mark and the identity or similarity of the goods or services covered by the trade mark,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.

(2) A trade mark which—

- (a) is identical with or similar to an earlier trade mark; and
- (b) is to be registered for goods or services which are not similar to those for which the earlier trade mark is registered in the name of a different proprietor,

shall not be registered if or to the extent the earlier trade mark has a reputation in India and the use of the later mark without due cause would take unfair advantage of or be detrimental to the distinctive character or repute of the earlier trade mark.

(3) A trade mark shall not be registered if, or to the extent that, its use in India is liable to be prevented—

- (a) by virtue of any law in particular the law of passing off protecting an unregistered trade mark used in the course of trade; or
- (b) by virtue of law of copyright.

(4) Nothing in this section shall prevent the registration of a trade mark where the proprietor of the earlier trade mark or other earlier right consents to the registration, and in such case the Registrar may register the mark under special circumstances under section 12.

Explanation I.—For the purposes of this section, earlier trade mark means,—

(a) a registered trade mark or convention application referred to in section 155 which has a date of application earlier than that of the trade mark in question, taking account, where appropriate, of the priorities claimed in respect of the trade marks;

(b) a trade mark which, on the date of the application for registration of the trade mark in question, or where appropriate, of the priority claimed in respect of the application, was entitled to protection as a well-known trade mark.

Explanation II.—In determining whether a trade mark is well-known, account shall be taken of the knowledge of that trade mark in the relevant section of the public including knowledge in India obtained as a result of promotion of the trade mark.

(5) A trade mark shall not be refused registration on the grounds specified in sub-sections (2) and (3), unless objection on any one or more of those grounds is raised in opposition proceedings by the proprietor of the earlier trade mark.

12. In the case of honest concurrent use or of other special circumstances which, in the opinion of the Registrar, make it proper so to do, he may permit the registration by more than one proprietor of the trade marks which are identical or nearly resemble each other (whether any such trade mark is already registered or not) in respect of—

(a) the same goods or services; or

(b) the same description of goods or services; or

(c) goods and services or description of goods and services which are associated with each other,

Registration
in the
case of
honest
concur-
rent
use, etc.

subject to such conditions and limitations, if any, as the Registrar may think fit to impose.

13. No word—

(a) which is the commonly used and accepted name of any single chemical element or any single chemical compound (as distinguished from a mixture) in respect of a chemical substance or preparation, or

(b) which is declared by the World Health Organisation and notified in the prescribed manner by the Registrar from time to time, as an international non-proprietary name or which is deceptively similar to such name,

Prohibi-
tion of
regis-
tra-
tion of
names of
chemical
elements
or inter-
national
non-pro-
prietary
names.

shall be registered as a trade mark and any such registration shall be deemed for the purpose of section 57 to be an entry made in the register without sufficient cause or an entry wrongly remaining on the register, as the circumstances may require.

Use of
names and
represen-
tations of
living
persons
or persons
recently
dead.

Registra-
tion of
Parts of
trade
marks and
of trade
marks as
a series.

14. Where an application is made for the registration of a trade mark which falsely suggests a connection with any living person, or a person whose death took place within twenty years prior to the date of application for registration of the trade mark, the Registrar may, before he proceeds with the application, require the applicant to furnish him with the consent in writing of such living person or, as the case may be, of the legal representative of the deceased person to the connection appearing on the trade mark, and may refuse to proceed with the application unless the applicant furnishes the Registrar with such consent.

15. (1) Where the proprietor of a trade mark claims to be entitled to the exclusive use of any part thereof separately, he may apply to register the whole and the part as separate trade marks.

(2) Each such separate trade mark shall satisfy all the conditions applying to, and have all the incidents of, an independent trade mark.

(3) Where a person claiming to be the proprietor of several trade marks in respect of the same goods or services or description of goods or description of services which, while resembling each other in the material particulars thereof, yet differ in respect of—

- (a) statement of the goods or services in relation to which they are respectively used or proposed to be used; or
- (b) statement of number, price, quality or names of places; or
- (c) other matter of a non-distinctive character which does not substantially affect the identity of the trade mark; or
- (d) colour,

seeks to register those trade marks, they may be registered as a series in one registration.

Registra-
tion of
trade
marks as
associated
trade
marks.

16. (1) Where a trade mark which is registered, or is the subject of an application for registration, in respect of any goods or services is identical with another trade mark which is registered, or is the subject of an application for registration, in the name of the same proprietor in respect of the same goods or description of goods or same services or description of services or so nearly resembles it as to be likely to deceive or cause confusion if used by a person other than the proprietor, the Registrar may, at any time, require that the trade marks shall be entered on the register as associated trade marks.

(2) Where there is an identity or near resemblance of marks that are registered, or are the subject of applications for registration in the name of the same proprietor in respect of goods, and in respect of services which are associated with those goods or goods of that description and with those services or services of that description, sub-section (1) applies as it applies as where there is an identity or near resemblance of marks that are registered, or are the subject of applications for registration, in the name of the same proprietor in respect of the same goods or description of goods or same services or description of services.

(3) Where a trade mark and any part thereof are, in accordance with the provisions of sub-section (1) of section 15, registered as separate

trade marks in the name of the same proprietor, they shall be deemed to be, and shall be registered as, associated trade marks.

(4) All trade marks registered in accordance with the provisions of sub-section (3) of section 15 as a series in one registration shall be deemed to be, and shall be registered as, associated trade marks.

(5) On application made in the prescribed manner by the registered proprietor of two or more trade marks registered as associated trade marks, the Registrar may dissolve the association as respects any of them if he is satisfied that there would be no likelihood of deception or confusion being caused if that trade mark were used by any other person in relation to any of the goods or services or both in respect of which it is registered, and may amend the register accordingly.

17. (1) When a trade mark consists of several matters, its registration shall confer on the proprietor exclusive right to the use of the trade mark taken as a whole.

(2) Notwithstanding anything contained in sub-section (1), when a trade mark—

(a) contains any part—

(i) which is not the subject of a separate application by the proprietor for registration as a trade mark; or

(ii) which is not separately registered by the proprietor as a trade mark; or

(b) contains any matter which is common to the trade or is otherwise of a non-distinctive character,

the registration thereof shall not confer any exclusive right in matter forming only a part of the whole of the trade mark so registered.

Effect of registration of parts of a mark.

CHAPTER III

PROCEDURE FOR AND DURATION OF REGISTRATION

18. (1) Any person claiming to be the proprietor of a trade mark used or proposed to be used by him, who is desirous of registering it, shall apply in writing to the Registrar in the prescribed manner for the registration of his trade mark.

Application for registration.

(2) A single application may be made for registration of a trade mark for different classes of goods and services and fee payable therefor shall be in respect of each such class of goods or services.

(3) Every application under sub-section (1) shall be filed in the office of the Trade Marks Registry within whose territorial limits the principal place of business in India of the applicant or in the case of joint applicants the principal place of business in India of the applicant whose name is first-mentioned in the application as having a place of business in India, is situate:

Provided that where the applicant or any of the joint applicants does not carry on business in India, the application shall be filed in the office of the Trade Marks Registry within whose territorial limits the place mentioned in the address for service in India as disclosed in the application, is situate.

(4) Subject to the provisions of this Act, the Registrar may refuse the application or may accept it absolutely or subject to such amendments, modifications, conditions or limitations, if any, as he may think fit.

(5) In the case of a refusal or conditional acceptance of an application, the Registrar shall record in writing the grounds for such refusal or conditional acceptance and the materials used by him in arriving at his decision.

Withdra-wal of ac-cep-tance.

19. Where, after the acceptance of an application for registration of a trade mark but before its registration, the Registrar is satisfied—

(a) that the application has been accepted in error; or

(b) that in the circumstances of the case the trade mark should not be registered or should be registered subject to conditions or limitations or to conditions additional to or different from the conditions or limitations subject to which the application has been accepted,

the Registrar may, after hearing the applicant if he so desires, withdraw the acceptance and proceed as if the application had not been accepted.

Adver-tise-ment of ap-plica-tion.

20. (1) When an application for registration of a trade mark has been accepted, whether absolutely or subject to conditions or limitations, the Registrar shall, as soon as may be after acceptance, cause the application as accepted together with the conditions or limitations, if any, subject to which it has been accepted, to be advertised in the prescribed manner:

Provided that the Registrar may cause the application to be advertised before acceptance if it relates to a trade mark to which sub-section (1) of section 9 and sub-sections (1) and (2) of section 11 apply, or in any other case where it appears to him that it is expedient by reason of any exceptional circumstances so to do.

(2) Where—

(a) an application has been advertised before acceptance under sub-section (1); or

(b) after advertisement of an application,—

(i) an error in the application has been corrected; or

(ii) the application has been permitted to be amended under section 22,

the Registrar may in his discretion cause the application to be advertised again or in any case falling under clause (b) may, instead of causing the application to be advertised again, notify in the prescribed manner the correction or amendment made in the application.

21. (1) Any person may, within three months from the date of the advertisement or re-advertisement of an application for registration or within such further period, not exceeding one month in the aggregate, as the Registrar, on application made to him in the prescribed manner and on payment of the prescribed fee, allows, give notice in writing in the prescribed manner to the Registrar, of opposition to the registration.

Opposition to registration.

(2) The Registrar shall serve a copy of the notice on the applicant for registration and, within two months from the receipt by the applicant of such copy of the notice of opposition, the applicant shall send to the Registrar in the prescribed manner a counter-statement of the grounds on which he relies for his application, and if he does not do so he shall be deemed to have abandoned his application.

(3) If the applicant sends such counter-statement, the Registrar shall serve a copy thereof on the person giving notice of opposition.

(4) Any evidence upon which the opponent and the applicant may rely shall be submitted in the prescribed manner and within the prescribed time to the Registrar, and the Registrar shall give an opportunity to them to be heard, if they so desire.

(5) The Registrar shall, after hearing the parties, if so required, and considering the evidence, decide whether and subject to what conditions or limitations, if any, the registration is to be permitted, and may take into account a ground of objection whether relied upon by the opponent or not.

(6) Where a person giving notice of opposition or an applicant sending a counter-statement after receipt of a copy of such notice neither resides nor carries on business in India, the Registrar may require him to give security for the costs of proceedings before him, and in default of such security being duly given, may treat the opposition or application, as the case may be, as abandoned.

(7) The Registrar may, on request, permit correction of any error in, or any amendment of, a notice of opposition or a counter-statement on such terms as he thinks just.

22. The Registrar may, on such terms as he thinks just, at any time, whether before or after acceptance of an application for registration under section 18, permit the correction of any error in or in connection with the application or permit an amendment of the application.

Correction and amendment.

23. (1) Subject to the provisions of section 19, when an application for registration of a trade mark has been accepted and either—

Registration.

(a) the application has not been opposed and the time for notice of opposition has expired; or

(b) the application has been opposed and the opposition has been decided in favour of the applicant,

the Registrar shall register the said trade mark and the trade mark when registered shall be registered as of the date of the making of the

said application and that date shall, subject to the provisions of section 155, be deemed to be the date of registration.

(2) On the registration of a trade mark, the Registrar shall issue to the applicant a certificate in the prescribed form of the registration thereof, sealed with the seal of the Trade Marks Registry.

(3) Where registration of a trade mark is not completed within twelve months from the date of the application by reason of default on the part of the applicant, the Registrar may, after giving notice to the applicant in the prescribed manner, treat the application as abandoned unless it is completed within the time specified in that behalf in the notice.

(4) The Registrar may amend the register or a certificate of registration for the purpose of correcting a clerical error or an obvious mistake.

Jointly
owned
trade
marks.

24. (1) Save as provided in sub-section (2), nothing in this Act shall authorise the registration of two or more persons who use a trade mark independently, or propose so to use it, as joint proprietors thereof.

(2) Where the relations between two or more persons interested in a trade mark are such that no one of them is entitled as between himself and the other or others of them to use it except—

(a) on behalf of both or all of them; or

(b) in relation to an article or service with which both or all of them are connected in the course of trade,

those persons may be registered as joint proprietors of the trade mark, and this Act shall have effect in relation to any rights to the use of the trade mark vested in those persons as if those rights had been vested in a single person.

Dura-
tion, re-
newal,
removal
and
restora-
tion of
regis-
tration

25. (1) The registration of a trade mark, after the commencement of this Act, shall be for a period of ten years, but may be renewed from time to time in accordance with the provisions of this section.

(2) The Registrar shall, on application made by the registered proprietor of a trade mark in the prescribed manner and within the prescribed period and subject to payment of the prescribed fee, renew the registration of the trade mark for a period of ten years from the date of expiration of the original registration or of the last renewal of registration, as the case may be (which date is in this section referred to as the expiration of the last registration).

(3) At the prescribed time before the expiration of the last registration of a trade mark the Registrar shall send notice in the prescribed manner to the registered proprietor of the date of expiration and the conditions as to payment of fees and otherwise upon which a renewal of registration may be obtained, and, if at the expiration of the time prescribed in that behalf those conditions have not been duly complied with the Registrar may remove the trade mark from the register.

(4) Where a trade mark has been removed from the register for non-payment of the prescribed fee, the Registrar shall within six months from the expiration of the last registration of the trade mark, on receipt of an application in the prescribed form and the prescribed fee and surcharge, renew the registration of the trade mark subject to the conditions of renewal stipulated in the notice under sub-section (3) for a period of ten years from the expiration of the last registration.

(5) Where a trade mark has been removed from the register for non-payment of the prescribed fee, the Registrar shall after six months and within one year from the expiration of the last registration of the trade mark, on receipt of an application in the prescribed form and on payment of the prescribed fee and surcharge, if satisfied that it is just so to do, restore the trade mark to the register and renew the registration of the trade mark either generally or subject to such conditions or limitations as he thinks fit to impose, for a period of ten years from the expiration of the last registration.

26. Where a trade mark has been removed from the register for failure to pay the fee for renewal, it shall nevertheless, for the purpose of any application for the registration of another trade mark during one year, next after the date of the removal, be deemed to be a trade mark already on the register, unless the tribunal is satisfied either—

(a) that there has been no bona fide trade use of the trade mark which has been removed during the two years immediately preceding its removal; or

(b) that no deception or confusion would be likely to arise from the use of the trade mark which is the subject of the application for registration by reason of any previous use of the trade mark which has been removed.

Effect of removal from register for failure to pay fee for renewal.

CHAPTER IV

EFFECT OF REGISTRATION

27. (1) No person shall be entitled to institute any proceeding to prevent, or to recover damages for, the infringement of an unregistered trade mark.

(2) Nothing in this Act shall be deemed to affect rights of action against any person for passing off goods or services as the goods of another person or as services provided by another person, or the remedies in respect thereof.

No action for infringement of unregistered trade mark.

28. (1) Subject to the other provisions of this Act, the registration of a trade mark shall, if valid, give to the registered proprietor of the trade mark the exclusive right to the use of the trade mark in relation to the goods or services in respect of which the trade mark is registered

Rights conferred by registration.

and to obtain relief in respect of infringement of the trade mark in the manner provided by this Act.

(2) The exclusive right to the use of a trade mark given under sub-section (1) shall be subject to any conditions and limitations to which the registration is subject.

(3) Where two or more persons are registered proprietors of trade marks, which are identical with or nearly resemble each other, the exclusive right to the use of any of those trade marks shall not (except so far as their respective rights are subject to any conditions or limitations entered on the register) be deemed to have been acquired by any one of those persons as against any other of those persons merely by registration of the trade marks but each of those persons has otherwise the same rights as against other persons (not being registered users using by way of permitted use) as he would have if he were the sole registered proprietor.

Infringement of registered trade marks.

29. (1) A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which is identical with, or deceptively similar to, the trade mark in relation to goods or services in respect of which the trade mark is registered and in such manner as to render the use of the mark likely to be taken as being used as a trade mark.

(2) A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which because of—

(a) its identity with the registered trade mark and the similarity of the goods or services covered by such registered trade mark; or

(b) its similarity to the registered trade mark and the identity or similarity of the goods or services covered by such registered trade mark; or

(c) its identity with the registered trade mark and the identity of the goods or services covered by such registered trade mark,

is likely to cause confusion on the part of the public, or which is likely to have an association with the registered trade mark.

(3) In any case falling under clause (c) of sub-section (2), the court shall presume that it is likely to cause confusion on the part of the public.

(4) A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which—

(a) is identical with or similar to the registered trade mark; and

(b) is used in relation to goods or services which are not similar to those for which the trade mark is registered; and

(c) the registered trade mark has a reputation in India and the use of the mark without due cause takes unfair advantage of or is

detrimental to, the distinctive character or repute of the registered trade mark.

(5) A registered trade mark is infringed by a person if he uses such registered trade mark, as his trade name or part of his trade name, or name of his business concern or part of the name, of his business concern.

(6) For the purposes of this section, a person uses a registered mark, if, in particular, he—

(a) affixes it to goods or the packaging thereof;

(b) offers or exposes goods for sale, puts them on the market, or stocks them for those purposes under the registered trade mark, or offers or supplies services under the registered trade mark;

(c) imports or exports goods under the mark; or

(d) uses the registered trade mark on business papers or in advertising.

(7) A registered trade mark is infringed by a person who applies such registered trade mark to a material intended to be used for labelling or packaging goods, as a business paper, or for advertising goods or services, provided such person, when he applied the mark, knew or had reason to believe that the application of the mark was not duly authorised by the proprietor or a licensee.

(8) A registered trade mark is infringed by any advertising of that trade mark if such advertising—

(a) takes unfair advantage of and is contrary to honest practices in industrial or commercial matters; or

(b) is detrimental to the distinctive character; or

(c) is against the reputation of the trade mark.

(9) Where the distinctive elements of a registered trade mark consist of or include words, the trade mark may be infringed by the spoken use of those words as well as by their visual representation and reference in this section to the use of a mark shall be construed accordingly.

30. (1) Nothing in section 29 shall be construed as preventing the use of a registered trade mark by any person for the purposes of identifying goods or services as those of the proprietor provided the use—

(a) is in accordance with honest practices in industrial or commercial matters, and

(b) is not such as to take unfair advantage of or be detrimental to the distinctive character or repute of the trade mark.

(2) A registered trade mark is not infringed where—

(a) the use in relation to goods or services indicates the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services or other characteristics of goods or services;

Limits on
effect of
register-
ed trade
mark.

(b) a trade mark is registered subject to any conditions or limitations, the use of the trade mark in any manner in relation to goods to be sold or otherwise traded in, in any place, or in relation to goods to be exported to any market or in relation to services for use or available for acceptance in any place or country outside India or in any other circumstances, to which, having regard to those conditions or limitations, the registration does not extend;

(c) the use by a person of a trade mark—

(i) in relation to goods connected in the course of trade with the proprietor or a registered user of the trade mark if, as to those goods or a bulk of which they form part, the registered proprietor or the registered user conforming to the permitted use has applied the trade mark and has not subsequently removed or obliterated it, or has at any time expressly or impliedly consented to the use of the trade mark; or

(ii) in relation to services to which the proprietor of such mark or of a registered user conforming to the permitted use has applied the mark, where the purpose and effect of the use of the mark is to indicate, in accordance with the fact, that those services have been performed by the proprietor or a registered user of the mark;

(d) the use of a trade mark by a person in relation to goods adapted to form part of, or to be accessory to, other goods or services in relation to which the trade mark has been used without infringement of the right given by registration under this Act or might for the time being be so used, if the use of the trade mark is reasonably necessary in order to indicate that the goods or services are so adapted, and neither the purpose nor the effect of the use of the trade mark is to indicate, otherwise than in accordance with the fact, a connection in the course of trade between any person and the goods or services, as the case may be;

(e) the use of a registered trade mark, being one of two or more trade marks registered under this Act which are identical or nearly resemble each other, in exercise of the right to the use of that trade mark given by registration under this Act.

(3) Where the goods bearing a registered trade mark are lawfully acquired by a person, the sale of the goods in the market or otherwise dealing in those goods by that person or by a person claiming under or through him is not infringement of a trade mark by reason only of—

(a) the registered trade mark having been assigned by the registered proprietor to some other person, after the acquisition of those goods; or

(b) the goods having been put on the market under the registered trade mark by the proprietor or with his consent.

(4) Sub-section (3) shall not apply where there exists legitimate reasons for the proprietor to oppose further dealings in the goods, in particular, where the condition of the goods has been changed or impaired after they have been put on the market.

31. (1) In all legal proceedings relating to a trade mark registered under this Act (including applications under section 57), the original registration of the trade mark and of all subsequent assignments and transmissions of the trade mark shall be *prima facie* evidence of the validity thereof.

Registration to be *prima facie* evidence of validity.

(2) In all legal proceedings as aforesaid a registered trade mark shall not be held to be invalid on the ground that it was not a registrable trade mark under section 9 except upon evidence of distinctiveness and that such evidence was not submitted to the Registrar before registration, if it is proved that the trade mark had been so used by the registered proprietor or his predecessor in title as to have become distinctive at the date of registration.

32. Where a trade mark is registered in breach of sub-section (1) of section 9, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration and before commencement of any legal proceedings challenging the validity of such registration, acquired a distinctive character in relation to the goods or services for which it is registered.

Protection of registration on ground of distinctiveness in certain cases.

33. (1) Where the proprietor of an earlier trade mark has acquiesced for a continuous period of five years in the use of a registered trade mark, being aware of that use, he shall no longer be entitled on the basis of that earlier trade mark—

Effect of acquiescence.

(a) to apply for a declaration that the registration of the later trade mark is invalid, or

(b) to oppose the use of the later trade mark in relation to the goods or services in relation to which it has been so used,

unless the registration of the later trade mark was not applied in good faith.

(2) Where sub-section (1) applies, the proprietor of the later trade mark is not entitled to oppose the use of the earlier trade mark, or as the case may be, the exploitation of the earlier right, notwithstanding that the earlier trade mark may no longer be invoked against his later trade mark.

34. Nothing in this Act shall entitle the proprietor or a registered user of registered trade mark to interfere with or restrain the use by any person of a trade mark identical with or nearly resembling it in relation to goods or services in relation to which that person or a predecessor in title of his has continuously used that trade mark from a date prior—

Saving for vested rights.

(a) to the use of the first-mentioned trade mark in relation to those goods or services by the proprietor or a predecessor in title of his; or

(b) to the date of registration of the first-mentioned trade mark in respect of those goods or services in the name of the proprietor or a predecessor in title of his;

whichever is the earlier, and the Registrar shall not refuse (on such use being proved) to register the second-mentioned trade mark by reason only of the registration of the first-mentioned trade mark.

Saving for use of name, address or description of goods or services.

Saving for words used as name or description of an article or substance or service.

35. Nothing in this Act shall entitle the proprietor or a registered user of a registered trade mark to interfere with any *bona fide* use by a person of his own name or that of his place of business, or of the name, or of the name of the place of business, of any of his predecessors in business, or the use by any person of any *bona fide* description of the character or quality of his goods or services.

36. (1) The registration of a trade mark shall not be deemed to have become invalid by reason only of any use after the date of the registration of any word or words which the trade mark contains or of which it consists as the name or description of an article or substance or service:

Provided that, if it is proved either—

(a) that there is a well-known and established use of the said word as the name or description of the article or substance or service by a person or persons carrying on trade therein, not being use in relation to goods or services connected in the course of trade with the proprietor or a registered user of the trade mark or (in the case of a certification trade mark) in relation to goods or services certified by the proprietor; or

(b) that the article or substance was formerly manufactured under a patent that a period of two years or more after the cessation of the patent has elapsed and that the said word is the only practicable name or description of the article, or substance,

provisions of sub-section (2) shall apply.

(2) Where the facts mentioned in clause (a) or clause (b) of the proviso to sub-section (1) are proved with respect to any words, then,—

(a) for the purposes of any proceedings under section 57 if the trade mark consists solely of such words, the registration of the trade mark, so far as regards registration in respect of the article or substance in question or of any goods of the same description, or of the services or of any services of the same description, as the case requires, shall be deemed to be an entry wrongly remaining on the register;

(b) for the purposes of any other legal proceedings relating to the trade mark,—

(i) if the trade mark consists solely of such words, all rights of the proprietor under this Act or any other law to the use of the trade mark; or

(ii) if the trade mark contains such words and other matter, all such rights of the proprietor to the use of such words,

In relation to the article or substance or to any goods of the same description, or to the service or to any services of the same description, as the case requires, shall be deemed to have ceased on the date on which the use mentioned in clause (a) of the proviso to sub-section (1) first became well-known and established, or at the expiration of the period of two years mentioned in clause (b) of the said proviso.

CHAPTER V

ASSIGNMENT AND TRANSMISSION

37. The person for the time being entered in the register as proprietor of a trade mark shall, subject to the provisions of this Act and to any rights appearing from the register to be vested in any other person, have power to assign the trade mark, and to give effectual receipts for any consideration for such assignment.

Power of registered proprietor to assign and give receipts.

38. Notwithstanding anything in any other law to the contrary, a registered trade mark shall, subject to the provisions of this Chapter, be assignable and transmissible, whether with or without the goodwill of the business concerned and in respect either of all the goods or services in respect of which the trade mark is registered or of some only of those goods or services.

Assignability and transmissibility of registered trade marks.

39. (1) An unregistered trade mark shall not be assignable or transmissible except along with the goodwill of the business concerned.

Assignability and transmissibility of unregistered trade marks.

(2) Notwithstanding anything contained in sub-section (1), an unregistered trade mark may be assigned or transmitted otherwise than along with the goodwill of the business concerned if—

(a) at the time of assignment or transmission of the unregistered trade mark, it is used in the same business as a registered trade mark; and

(b) the registered trade mark is assigned or transmitted at the same time and to the same person as the unregistered trade mark; and

(c) the unregistered trade mark relates to goods or services in respect of which the registered trade mark is assigned or transmitted.

40. (1) Notwithstanding anything in sections 38 and 39, a trade mark shall not be assignable or transmissible in a case in which as a result of the assignment or transmission there would in the circumstances subsist, whether under this Act or any other law, exclusive rights in more than one of the persons concerned to the use, in relation to—

Restriction on assignment or transmission where multiple exclusive rights would be created.

(a) same goods or services;

(b) same description of goods or services;

(c) goods or services or description of goods and services which are associated with each other,

of trade marks nearly resembling each other or of identical trade mark, if having regard to the similarity of the goods and services and to the similarity of the trade marks, the use of the trade marks in exercise of those rights would be likely to deceive or cause confusion:

Provided that an assignment or transmission shall not be deemed to be invalid under this sub-section if the exclusive rights subsisting as a

result thereof in the persons concerned respectively are, having regard to limitations imposed thereon, such as not to be exercisable by two or more of those persons in relation to goods to be sold, or otherwise traded in, within India otherwise than for export therefrom, or in relation to goods to be exported to the same market outside India or in relation to services for use at any place in India or any place outside India in relation to services available for acceptance in India.

(2) The proprietor of a registered trade mark who proposes to assign it may submit to the Registrar in the prescribed manner a statement of case setting out the circumstances and the Registrar may issue to him a certificate stating whether, having regard to the similarity of the goods or services and of the trade marks referred to in the case, the proposed assignment would or would not be invalid under sub-section (1), and a certificate so issued shall, subject to appeal and unless it is shown that the certificate was obtained by fraud or misrepresentation, be conclusive as to the validity or invalidity under sub-section (1) of the assignment in so far as such validity or invalidity depends upon the facts set out in the case, but, as regards a certificate in favour of validity, only if application for the registration under section 45 of the title of the person becoming entitled is made within six months from the date on which the certificate is issued.

Restriction on assignment or transmission when exclusive rights would be created in different parts of India.

41. Notwithstanding anything in section 38 and 39, a trade mark shall not be assignable or transmissible in a case in which as a result of the assignment or transmission there would in the circumstances subsist, whether under this Act or any other law—

(a) an exclusive right in one of the persons concerned, to the use of the trade mark limited to use in relation to goods to be sold or otherwise traded in, in any place in India, or in relation to services for use, or services available for acceptance in any place in India; and

(b) an exclusive right in another of these persons concerned, to the use of a trade mark nearly resembling the first-mentioned trade mark or of an identical trade mark in relation to—

(i) the same goods or services; or

(ii) the same description of goods or services; or

(iii) services which are associated with those goods or goods of that description or goods which are associated with those services or services of that description,

limited to use in relation to goods to be sold or otherwise traded in, or services for use, or available for acceptance, in any other place in India:

Provided that in any such case, on application in the prescribed manner by the proprietor of a trade mark who proposes to assign it, or by a person who claims that a registered trade mark has been transmitted to him or to a predecessor in title of his since the commencement of this Act, the Registrar, if he is satisfied that in all the circumstances the use of the trade mark in exercise of the said rights would not be contrary to the public interest may approve the assignment or transmission

and an assignment or transmission so approved shall not, unless it is shown that the approval was obtained by fraud or misrepresentation, be deemed to be invalid under this section or section 40 if application for the registration under section 45 of the title of the person becoming entitled is made within six months from the date on which the approval is given or, in the case of a transmission, was made before that date.

42. Where an assignment of a trade mark, whether registered or unregistered is made otherwise than in connection with the goodwill of the business in which the mark has been or is used, the assignment shall not take effect unless the assignee, not later than the expiration of six months from the date on which the assignment is made or within such extended period, if any, not exceeding three months in the aggregate, as the Registrar may allow, applies to the Registrar for directions with respect to the advertisement of the assignment, and advertises it in such form and manner and within such period as the Registrar may direct.

Explanation.—For the purposes of this section an assignment of a trade mark of the following description shall not be deemed to be an assignment made otherwise than in connection with the goodwill of the business in which the mark is used, namely:—

(a) an assignment of a trade mark in respect only of some of the goods or services for which the trade mark is registered accompanied by the transfer of the goodwill of the business concerned in those goods or services only; or

(b) an assignment of a trade mark which is used in relation to goods exported from India or in relation to services for use outside India if the assignment is accompanied by the transfer of the goodwill of the export business only.

43. A certification trade mark shall not be assignable or transmissible otherwise than with the consent of the Registrar, for which application shall be made in writing in the prescribed manner.

Conditions for assignment otherwise than in connection with the goodwill of a business.

Assignability and transmissibility of certification trade marks.

44. Associated trade marks shall be assignable and transmissible only as a whole and not separately, but, subject to the provisions of this Act, they shall, for all other purposes, be deemed to have been registered as separate trade marks.

Assignability and transmissibility of associated trade marks.

45. (1) Where a person becomes entitled by assignment or transmission to a registered trade mark, he shall apply in the prescribed manner to the Registrar to register his title, and the Registrar shall, on receipt of the application and on proof of title to his satisfaction, register him as the proprietor of the trade mark in respect of the goods or services in respect of which the assignment or transmission has effect, and shall cause particulars of the assignment or transmission to be entered on the register.

Registration of assignments and transmissions.

Provided that where the validity of an assignment or transmission is in dispute between the parties, the Registrar may refuse to register the assignment or transmission until the rights of the parties have been determined by a competent court.

(2) Except for the purpose of an application before the Registrar under sub-section (1) or an appeal from an order thereon, or an application under section 57 or an appeal from an order thereon, a document or instrument in respect of which no entry has been made in the register in accordance with sub-section (1), shall not be admitted in evidence by the Registrar or the Appellate Board or any court in proof of title to the trade mark by assignment or transmission unless the Registrar or the Appellate Board or the court, as the case may be, otherwise directs,

CHAPTER VI

USE OF TRADE MARKS AND REGISTERED USERS

Proposed use of trade mark by company to be formed.

46. (1) No application for the registration of a trade mark in respect of any goods or services shall be refused nor shall permission for such registration be withheld, on the ground only that it appears that the applicant does not use or propose to use the trade mark if the Registrar is satisfied that—

(a) a company is about to be formed and registered under the Companies Act, 1956 and that the applicant intends to assign the trade mark to that company with a view to the use thereof in relation to those goods or services by the company, or

(b) where the proprietor intends it to be used by a person, as a registered user, who has also joined in the application for the registration of the registered user.

(2) The provisions of section 47 shall have effect, in relation to a trade mark registered under the powers conferred by this sub-section, as if for the reference, in clause (a) of sub-section (1) of that section, to intention on the part of an applicant for registration that a trade mark should be used by him there were substituted a reference to intention on his part that it should be used by the company or registered user concerned.

(3) The tribunal may, in a case to which sub-section (1) applies, require the applicant to give security for the costs of any proceedings relating to any opposition or appeal, and in default of such security being duly given, may treat the application as abandoned.

(4) Where in a case to which sub-section (1) applies, a trade mark in respect of any goods or services is registered in the name of an applicant who, relies on intention to assign the trade mark to a company, then, unless within such period as may be prescribed or within such further period not exceeding six months as the Registrar may, on application being made to him in the prescribed manner, allow, the company has been registered as the proprietor of the trade mark in respect of those goods or services, the registration shall cease to have effect in respect thereof at the expiration of that period and the Registrar shall amend the register accordingly.

1 of 1956.

47. (1) A registered trade mark may be taken off the register in respect of the goods or services in respect of which it is registered on application made in the prescribed manner to the Registrar or the Appellate Board by any person aggrieved on the ground either—

Removal
from
register
and
imposi-
tion of
limita-
tions
on
ground
of non-
use.

(a) that the trade mark was registered without any *bona fide* intention on the part of the applicant for registration that it should be used in relation to those goods or services by him or, in a case to which the provisions of section 46 apply, by the company concerned or the registered user, as the case may be, and that there has, in fact, been no *bona fide* use of the trade mark in relation to those goods or services by any proprietor thereof for the time being up to a date three months before the date of the application; or

(b) that up to a date three months before the date of the application, a continuous period of five years from the date on which the trade mark is actually entered in the register or longer had elapsed during which the trade mark was registered and during which there was no *bona fide* use thereof in relation to those goods or services by any proprietor thereof for the time being;

Provided that except where the applicant has been permitted under section 12 to register an identical or nearly resembling trade mark in respect of the goods or services in question, or where the tribunal is of opinion that he might properly be permitted so to register such a trade mark, the tribunal may refuse an application under clause (a) or clause (b) in relation to any goods or services, if it is shown that there has been, before the relevant date or during the relevant period, as the case may be, *bona fide* use of the trade mark by any proprietor thereof for the time being in relation to—

(i) goods or services of the same description; or

(ii) goods or services associated with those goods or services of that description being goods or services, as the case may be,

in respect of which the trade mark is registered.

(2) Where in relation to any goods or services in respect of which a trade mark is registered—

(a) the circumstances referred to in clause (b) of sub-section (1) are shown to exist so far as regards non-use of the trade mark in relation to goods to be sold, or otherwise traded in a particular place in India (otherwise than for export from India), or in relation to goods to be exported to a particular market outside India; or in relation to services for use or available for acceptance in a particular place in India or for use in a particular market outside India; and

(b) a person has been permitted under section 12 to register an identical or nearly resembling trade mark in respect of those goods, under a registration extending to use in relation to goods to be so sold, or otherwise traded in, or in relation to goods to be so exported, or in relation to services for use or available for acceptance in that place or for use in that country, or the tribunal is of opinion that he might properly be permitted so to register such a trade mark,

on application by that person in the prescribed manner to the Appellate Board or to the Registrar, the tribunal may impose on the registration of the first-mentioned trade mark such limitations as it thinks proper for securing that that registration shall cease to extend to such use.

(3) An applicant shall not be entitled to rely for the purpose of clause (b) of sub-section (1) or for the purposes of sub-section (2) on any non-use of a trade mark which is shown to have been due to special circumstances in the trade, which includes restrictions on the use of the trade mark in India imposed by any law or regulation and not to any intention to abandon or not to use the trade mark in relation to the goods or services to which the application relates.

**Register-
ed users.**

48. (1) Subject to the provisions of section 49, a person other than the registered proprietor of a trade mark may be registered as a registered user thereof in respect of any or all of the goods or services in respect of which the trade mark is registered.

(2) The permitted use of a trade mark shall be deemed to be used by the proprietor thereof, and shall be deemed not to be used by a person other than the proprietor, for the purposes of section 47 or for any other purpose for which such use is material under this Act or any other law.

**Registration as
registered
user.**

49. (1) Where it is proposed that a person should be registered as a registered user of a trade mark, the registered proprietor and the proposed registered user shall jointly apply in writing to the Registrar in the prescribed manner, and every such application shall be accompanied by—

(a) the agreement in writing or a duly authenticated copy thereof, entered into between the registered proprietor and the proposed registered user with respect to the permitted use of the trade mark; and

(b) an affidavit made by the registered proprietor or by some person authorised to the satisfaction of the Registrar to act on his behalf,—

(i) giving particulars of the relationship, existing or proposed, between the registered proprietor and the proposed registered user, including particulars showing the degree of control by the proprietor over the permitted use which their relationship will confer and whether it is a term of their relationship that the proposed registered user shall be the sole registered user or that there shall be any other restriction as to persons for whose registration as registered users application may be made;

(ii) stating the goods or services in respect of which registration is proposed;

(iii) stating the conditions or restrictions, if any, proposed with respect to the characteristics of the goods or services, to the mode or place of permitted use, or to any other matter;

(iv) stating whether the permitted use is to be for a period or without limit of period, and, if for a period, the duration thereof; and

- (c) such further documents or other evidence as may be required by the Registrar or as may be prescribed.
- (2) When the requirements of sub-section (1) have been complied with, the Registrar shall register the proposed registered user in respect of the goods or services as to which he is so satisfied.
- (3) The Registrar shall issue notice in the prescribed manner of the registration of a person as a registered user, to other registered users of the trade mark, if any.
- (4) The Registrar shall, if so requested by the applicant, take steps for securing that information given for the purposes of an application under this section (other than matters entered in the register) is not disclosed to rivals in trade.
50. (1) Without prejudice to the provisions of section 57, the registration of a person as registered user—
- (a) may be varied by the Registrar as regards the goods or services in respect of which it has effect on the application in writing in the prescribed manner of the registered proprietor of the trade mark;
- (b) may be cancelled by the Registrar on the application in writing in the prescribed manner of the registered proprietor or of the registered user or of any other registered user of the trade mark;
- (c) may be cancelled by the Registrar on the application in writing in the prescribed manner of any person on any of the following grounds, namely:—
- (i) that the registered user has used the trade mark otherwise than in accordance with the agreement under clause (a) of sub-section (1) of section 49 or in such way as to cause or to be likely to cause, deception or confusion;
- (ii) that the proprietor or the registered user misrepresented, or failed to disclose, some fact material to the application for registration, which if accurately represented or disclosed would not have justified the registration of the registered user;
- (iii) that the circumstances have changed since the date of registration in such a way that at the date of such application for cancellation they would not have justified registration of the registered user;
- (iv) that the registration ought not to have been effected having regard to rights vested in the applicant by virtue of a contract in the performance of which he is interested;
- (d) may be cancelled by the Registrar of his own motion or on the application in writing in the prescribed manner of any person, on the ground that any stipulation in the agreement between the registered proprietor and the registered user regarding the quality of the goods or services in relation to which the trade mark is to be used is either not being enforced or is not being complied with;

Power of Registrar for variation or cancellation of registration as registered user.

(e) may be cancelled by the Registrar in respect of any goods or services in relation to which the trade mark is no longer registered.

(2) The Registrar shall issue notice in the prescribed manner of every application under this section to the registered proprietor and each registered user (not being the applicant) of the trade mark.

(3) The procedure for cancelling a registration shall be such as may be prescribed:

Provided that before cancelling of registration, the registered proprietor shall be given a reasonable opportunity of being heard.

Power of Registrar to call for information relating to agreement in respect of registered users.

Right of registered user to take proceedings against infringement

No right of permitted user to take proceeding against infringement.

Registered user not to have right of assignment or transmission.

51. (1) The Registrar may, at any time during the continuance of the registration of the registered user, by notice in writing, require the registered proprietor to confirm to him within one month that the agreement filed under clause (a) of sub-section (1) of section 49 continues to be in force.

(2) If the registered proprietor fails to furnish the confirmation within one month as required under sub-section (1), the registered user shall cease to be the registered user on the day immediately after the expiry of the said period and the Registrar shall notify the same.

52. (1) Subject to any agreement subsisting between the parties, a registered user may institute proceedings for infringement in his own name as if he were the registered proprietor, making the registered proprietor a defendant and the rights and obligations of such registered user in such case being concurrent with those of the registered proprietor.

(2) Notwithstanding anything contained in any other law, a registered proprietor so added as defendant shall not be liable for any costs unless he enters an appearance and takes part in the proceedings.

53. A person referred to in sub-clause (ii) of clause (p) of sub-section (1) of section 2 shall have no right to institute any proceeding for any infringement.

54. Nothing in this Act shall confer on a registered user of a trade mark any assignable or transmissible right to the use thereof.

Explanation I.—The right of a registered user of a trade mark shall not be deemed to have been assigned or transmitted within the meaning of this section in the following cases, namely:—

(a) where the registered user being an individual enters into a partnership with any other person for carrying on the business concerned; but in any such case the firm may use the trade mark, if otherwise in force, only for so long as the registered user is a member of the firm;

(b) where the registered user being a firm subsequently undergoes a change in its constitution; but in any such case the reconstituted firm may use the trade mark, if otherwise in force only for so long as any partner of the original firm at the time of its registration as registered user, continues to be a partner of the reconstituted firm.

9 of 1932.

Explanation II.—For the purposes of *Explanation I*, “firm” has the same meaning as in the Indian Partnership Act, 1932.

55. (1) Where under the provisions of this Act use of a registered trade mark is required to be proved for any purpose, the tribunal may, if and, so far as it shall think right, accept use of a registered associated trade mark, or of the trade mark with additions or alterations not substantially affecting its identity, as an equivalent for the use required to be proved.

(2) The use of the whole of a registered trade mark shall, for the purpose of this Act, be deemed to be also use of any trade mark being a part thereof and registered in accordance with sub-section (1) of section 15 in the name of the same proprietor.

(3) Notwithstanding anything in section 32, the use of part of the registered trade mark in sub-section (2) shall not be conclusive as to its evidence of distinctiveness for any purpose under the Act.

56. (1) The application in India of trade mark to goods to be exported from India or in relation to services for use outside India and any other act done in India in relation to goods to be so exported or services so rendered outside India which, if done in relation to goods to be sold or services provided or otherwise traded in within India would constitute use of a trade mark therein, shall be deemed to constitute use of the trade mark in relation to those goods or services for any purpose for which such use is material under this Act or any other law.

(2) The use of a registered trade mark in relation to goods or services between which and the person using the mark any form of connection in the course of trade subsists shall not be deemed to be likely to cause deception or confusion on the ground only that the mark has been or is used in relation to goods or services between which and the said person or a predecessor in title of that person a different form of connection in the course of trade subsisted or subsists.

CHAPTER VII

RECTIFICATION AND CORRECTION OF THE REGISTER

57. (1) On application made in the prescribed manner to the Appellate Board or to the Registrar by any person aggrieved, the tribunal may make such order as it may think fit for cancelling or varying the registration of a trade mark on the ground of any contravention, or failure to observe a condition entered on the register in relation thereto.

(2) Any person aggrieved by the absence or omission from the register of any entry, or by any entry made in the register without sufficient cause, or by any entry wrongly remaining on the register, or by

Use of one of associated or substantially identical trade marks equivalent to use of another.

Use of trade mark for export trade and use when form of trade connection changes.

Power to cancel or vary registration and to rectify the register.

any error or defect in any entry in the register, may apply in the prescribed manner to the Appellate Board or to the Registrar, and the tribunal may make such order for making, expunging or varying the entry as it may think fit.

(3) The tribunal may in any proceeding under this section decide any question that may be necessary or expedient to decide in connection with the rectification of the register.

(4) The tribunal, of its own motion, may, after giving notice in the prescribed manner to the parties concerned and after giving them an opportunity of being heard, make any order referred to in sub-section (1) or sub-section (2).

(5) Any order of the Appellate Board rectifying the register shall direct that notice of the rectification shall be served upon the Registrar in the prescribed manner who shall upon receipt of such notice rectify the register accordingly.

**Correc-
tion of
register.** 58. (1) The Registrar may, on application made in the prescribed manner by the registered proprietor,—

(a) correct any error in the name, address or description of the registered proprietor of a trade mark, or any other entry relating to the trade mark;

(b) enter any change in the name, address or description of the person who is registered as proprietor of a trade mark;

(c) cancel the entry of a trade mark on the register;

(d) strike out any goods or classes of goods or services from those in respect of which a trade mark is registered,

and may make any consequential amendment or alteration in the certificate of registration, and for that purpose, may require the certificate of registration to be produced to him.

(2) The Registrar may, on application made in the prescribed manner by a registered user of a trade mark, and after notice to the registered proprietor, correct any error, or enter any change, in the name, address or description of the registered user.

**Altera-
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59. (1) The registered proprietor of a trade mark may apply in the prescribed manner to the Registrar for leave to add to or alter the trade mark in any manner not substantially affecting the identity thereof, and the Registrar may refuse leave or may grant it on such terms and subject to such limitations as he may think fit.

(2) The Registrar may cause an application under this section to be advertised in the prescribed manner in any case where it appears to him that it is expedient so to do, and where he does so, if within the prescribed time from the date of the advertisement any person gives notice to the Registrar in the prescribed manner of opposition to the application, the Registrar shall, after hearing the parties if so required, decide the matter.

(3) Where leave is granted under this section, the trade mark as altered shall be advertised in the prescribed manner, unless the application has already been advertised under sub-section (2).

60. (1) The Registrar shall not make any amendment of the register which would have the effect of adding any goods or classes of goods or services to those in respect of which a trade mark is registered (whether in one or more classes) immediately before the amendment is to be made or of antedating the registration of a trade mark in respect of any goods or services:

Provided that this sub-section, shall not apply when the Registrar is satisfied that compliance therewith would involve undue complexity and that the addition or antedating, as the case may be, would not affect any substantial quantity of goods or services and would not substantially prejudice the rights of any person.

(2) A proposal so to amend the register shall be brought to the notice of the registered proprietor of the trade mark affected and advertised in the prescribed manner, and may be opposed before the Registrar by any person aggrieved on the ground that the proposed amendment contravenes the provisions of sub-section (1).

Adapta-
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CHAPTER VIII

COLLECTIVE MARKS

61. (1) The provisions of this Act shall apply to collective marks subject to the provisions contained in this Chapter.

Special
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collec-
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marks.

(2) In relation to a collective mark the reference in clause (z) of sub-section (1) of section 2 to distinguishing goods or services of one person from those of others shall be construed as a reference to distinguishing goods or services of members of an association of persons which is the proprietor of the mark from those of others.

62. (1) Notwithstanding anything contained in clause (b) of sub-section (1) of section 9, a collective mark which consists of any mark or indication which may serve, in trade, to designate the geographical origin of goods or services may be registered.

(2) The registered proprietor of a collective mark shall not be entitled to prohibit the use of the mark or in particular by any person who is entitled to use the geographical name.

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collective mark not to be misleading as to character or significance.

Application to be accompanied by regulations governing use of collective marks.

Acceptance of application and regulations by Registrar.

Regulations to be open to inspection.

Amendment of regulations.

Infringement proceedings by registered proprietor of collective mark.

Additio-
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grounds
for
removal
of
registra-
tion of
collective
mark.

63. A collective mark shall not be registered if it is likely to deceive or cause confusion on the part of public in particular if it is likely to be taken to be something other than a collective mark, and in such case the Registrar may require that a mark in respect of which application is made for registration comprise some indication that it is a collective mark.

64. (1) An application for registration of a collective mark shall be accompanied by the regulations governing the use of such collective mark.

(2) The regulations referred to in sub-section (1) shall specify the persons authorised to use the mark, the conditions of membership of the association and, the conditions of use of the mark, including any sanctions against misuse and such other matters as may be prescribed.

65. If it appears to the Registrar that the requirements for registration are satisfied, he shall accept the application together with the regulations, either unconditionally or subject to such conditions including amendments of the said regulations, if any, as he may deem fit or refuse to accept it and if accepted shall notify the regulations.

66. The regulations referred to in sub-section (1) of section 64 shall be open to public inspection in the same way as the register as provided in section 149.

67. Any amendment of regulations referred to in sub-section (1) of section 64 shall not be effective unless the amended regulations are filed with the Registrar, and accepted and published by him in accordance with section 65.

68. In a suit for infringement instituted by the registered proprietor of a collective mark as plaintiff the court shall take into account any loss suffered or likely to be suffered by authorised users and may give such directions as it thinks fit as to the extent to which the plaintiff shall hold the proceeds of any pecuniary remedy on behalf of such authorised users.

69. The registration of a collective mark may also be removed from the register on the ground—

(a) that the manner in which the collective mark has been used by the proprietor or authorised user has caused it to become liable to mislead the public as a collective mark; or

(b) that the proprietor has failed to observe, or to secure the observance of, the regulations governing the use of the mark.

Explanation I.—For the purposes of this Chapter, unless the context otherwise requires, “authorised user” means a member of an association authorised to use the registered collective mark of that association.

Explanation II.—For the purposes of this Act, use of a collective mark by an authorised user referred to in *Explanation I* shall be deemed to be the use by the registered proprietor thereof.

CHAPTER IX

CERTIFICATION TRADE MARKS

70. The following provisions of this Act shall not apply to certification trade marks, that is to say,—

- (a) clauses (a) and (c) of sub-section (1) of section 9;
- (b) sections 18, 20 and 21, except as expressly applied by this Chapter;
- (c) sections 28, 29, 30, 41, 42, 47, 48; 49, 50, 52, 54 and sub-section (2) of section 56;
- (d) Chapter XII, except section 108.

Certain provisions of this Act not applicable to certification trade marks.

71. A mark shall not be registrable as a certification trade mark in the name of a person who carries on a trade in goods of the kind certified or a trade of the provision of services of the kind certified.

Registration of certification trade marks.

72. (1) An application for the registration of a mark as a certification trade mark shall be made to the Registrar in the prescribed manner by the person proposed to be registered as the proprietor thereof, and accompanied by a draft of the regulations to be deposited under section 75.

(2) Subject to the provisions of section 71, the provisions of sections 18, 19 and 22 shall apply in relation to an application under this section as they apply in relation to an application under section 18, subject to the modification that references therein to acceptance of an application shall be construed as references to authorisation to proceed with an application.

(3) In dealing under the said provisions with an application under this section, the tribunal shall have regard to the like considerations, so far as relevant, as if the application were an application under section 18 and to any other considerations relevant to applications under this section, including the desirability of securing that a certification trade mark shall comprise some indication that it is a certification trade mark.

73. (1) The Registrar shall consider the application made under section 72 with regard to the following matters, namely:—

- (a) whether the applicant is competent to certify the goods in respect of which the mark is to be registered;
- (b) whether the draft of the regulations to be filed under section 75 is satisfactory;

Consideration of application for registration by the Registrar.

(c) whether in all the circumstances the registration applied for would be to the public advantage,

and may either—

(i) refuse the application; or

(ii) accept the application and approve the said draft of the regulations either without modification and unconditionally or subject to any conditions or limitations, or to any amendments or modification of the application or of the regulations, which he thinks requisite having regard to any of the said matters

(2) Except in the case of acceptance and approval without modification and unconditionally, the Registrar shall not decide any matter under sub-section (1) without giving to the applicant an opportunity of being heard.

Opposition to registration of certification trade marks.

74. When an application has been accepted, the Registrar shall, as soon as may be thereafter, cause the application as accepted to be advertised in the prescribed manner, and the provisions of section 21 shall apply in relation to the registration of the mark as they apply in relation to an application under section 18.

Filing of regulations governing the use of a certification trade mark.

75. (1) There shall be filed at the Trade Marks Registry in respect of every mark registered as a certification trade mark regulations for governing the use thereof, which shall include provisions as to the cases in which the proprietor is to certify goods or services and to authorise the use of the certification trade mark, and may contain any other provisions which the Registrar may by general or special order, require or permit to be inserted therein (including provisions conferring a right of appeal to the Registrar against any refusal of the proprietor to certify goods or to authorise the use of the certification trade mark in accordance with the regulations); and regulations so filed shall be open to inspection in like manner as the register as provided in section 149.

(2) The regulations so filed may, on the application of the registered proprietor, be altered by the Registrar.

(3) The Registrar may cause such application to be advertised in any case where it appears to him expedient so to do, and where he does so, if within the time specified in the advertisement any person gives notice of opposition to the application, the Registrar shall not decide the matter without giving the parties an opportunity of being heard.

Infringement of certification trade mark.

76. The right conferred by section 79 is infringed by any person who, not being the registered proprietor of the certification trade mark or a person authorised by him in that behalf under the regulations filed under section 75, using it in accordance therewith, uses in the course of trade, a mark which is identical with, or deceptively similar to, the certification trade mark in relation to any goods or services in respect of which it is registered, and in such manner as to render the use of the mark likely to be taken as being a use as a trade mark.

77. (1) Notwithstanding anything contained in this Act, the following acts do not constitute an infringement of the right to the use of a registered certification trade marks—

(a) where a certification trade mark is registered subject to any conditions or limitations entered on the register, the use of any such mark in any mode, in relation to goods to be sold or otherwise traded in any place, or in relation to goods to be exported to any market or in relation to services for use or available for acceptance in any place, country or territory or in any other circumstances, to which having regard to any such limitations, the registration does not extend;

(b) the use of a certification trade mark in relation to goods or services certified by the proprietor of the mark if, as to those goods or services or a bulk of which they form part, the proprietor or another in accordance with his authorisation under the relevant regulations has applied the mark and has not subsequently removed or obliterated it, or the proprietor has at any time expressly or impliedly consented to the use of the mark;

(c) the use of a certification trade mark in relation to goods or services adapted to form part of, or to be accessory to, other goods in relation to which the mark has been used without infringement of the right given as aforesaid or might for the time being be so used, if the use of the mark is reasonably necessary in order to indicate that the goods or services are so adapted and neither the purpose nor the effect of the use of the mark is to indicate otherwise than in accordance with the fact that the goods or services are certified by the proprietor.

(2) Clause (b) of sub-section (1) shall not apply to the case of use consisting of the application of a certification trade mark to goods or services, notwithstanding that they are such goods or services as are mentioned in that clause if such application is contrary to the regulations referred to in that clause.

(3) Where a certification trade mark is one of two or more trade marks registered under this Act, which are identical or nearly resemble each other, the use of any of those trade marks in exercise of the right to the use of that trade mark given by registration, shall not be deemed to be an infringement of the right so given to the use of any other of those trade marks.

78. The Registrar may, on the application in the prescribed manner of any person aggrieved and after giving the proprietor an opportunity of opposing the application, make such order as he thinks fit for expunging or varying any entry in the register relating to a certification trade mark, or for varying the regulations, on any of the following grounds, namely:—

(a) that the proprietor is no longer competent, in the case of any of the goods or services in respect of which the mark is registered, to certify those goods or services,

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- (b) that the proprietor has failed to observe any provisions of the regulations to be observed on his part;
- (c) that it is no longer to the public advantage that the mark should remain registered;
- (d) that it is requisite for the public advantage that if the mark remains registered, the regulations should be varied.

Rights conferred by registration of certification trade marks.

79. (1) Subject to the provisions of sections 34, 35 and 77, the registration of a person as a proprietor of certification trade mark in respect of any goods or services shall, if valid, give to that person the exclusive right to the use of the mark in relation to those goods or services.
- (2) The exclusive right to the use of a certification trade mark given under sub-section (1) shall be subject to any conditions and limitations to which the registration is subject.

CHAPTER X

SPECIAL PROVISION FOR TEXTILE GOODS

Textile goods.

Restriction on registration of textile goods.

80. The Central Government may prescribe classes of goods (in this Chapter referred to as textile goods) to the trade marks used in relation to which the provisions of this Chapter shall apply; and subject to the said provisions, the other provisions of this Act shall apply to such trade marks as they apply to trade marks used in relation to other classes of goods.

81. (1) In respect of textile goods being piece goods—
- (a) no mark consisting of a line heading alone shall be registrable as a trade mark;
 - (b) a line heading shall not be deemed to be capable of distinguishing;
 - (c) the registration of trade mark shall not give any exclusive right to the use of a line heading.
- (2) In respect of any textile goods, the registration of letters or numerals, or any combination thereof, shall be subject to such conditions and restrictions as may be prescribed.

Stamping of piece goods, cotton yarn and thread.

82. (1) Piece goods, such as are ordinarily sold by length or by the piece, which have been manufactured, bleached, dyed, printed or finished in premises which are a factory, as defined in the Factories Act, 1948, shall not be removed for sale from the last of such premises in which they underwent any of the said processes without having conspicuously stamped in international form of Indian numerals on each piece the length thereof in standard yards, or in standard yards and a fraction of such a yard, or in standard metres or in standard metres and a fraction

of such a metre, according to the real length of the piece, and, except when the goods are sold from the factory for export from India, without being conspicuously marked on each piece with the name of the manufacturer or of the occupier of the premises in which the piece was finally processed or of the wholesale purchaser in India of the piece.

(2) Cotton yarn such as is ordinarily sold in bundles, and cotton thread, namely, sewing, darning, crochet or handicraft thread, which have been manufactured, bleached, dyed or finished in any premises not exempted by the rules made under section 83 shall not be removed for sale from those premises unless, in accordance with the said rules in the case of yarn—

(a) the bundles are conspicuously marked with an indication of the weight of yarn in the English or the metric system in each bundle; and

(b) the count of the yarn contained in the bundle and in the case of thread each unit is conspicuously marked with the length or weight of thread in the unit and in such other manner as may be required by the said rules; and

(c) except where the goods are sold from the premises for export from India, unless each bundle or unit is conspicuously marked with the name of the manufacturer or of the wholesale purchaser in India of the goods:

Provided that the rules made under section 83 shall exempt all premises where the work is done by members of one family with or without the assistance of not more than ten other employees, and all premises controlled by a co-operative society where not more than twenty workers are employed in the premises.

83. (1) For the purposes of this Act, the Central Government may make rules—

Determination of character of textile goods by sampling.

(a) to provide, with respect to any goods which purport or are alleged to be of uniform number, quantity, measure, gauge or weight, for the number of samples to be selected and tested and for the selection of the samples;

(b) to provide for the manner in which for the purposes of section 82 cotton yarn and cotton thread shall be marked with the particulars required by that section, and for the exemption of certain premises used for the manufacture, bleaching, dyeing or finishing of cotton yarn or cotton thread from the provisions of that section; and

(c) declaring what classes of goods are included in the expression "piece goods such as are ordinarily sold by length or by the piece" for the purpose of section 82, of this Act or clause (n) of sub-section (2) of section 11 of the Customs Act, 1962.

(2) With respect to any goods for the selection and testing of samples of which provision is not made in any rules for the time being in force under sub-section (1), the court or officer of customs, as the case may be, having occasion to ascertain the number, quantity, measure, gauge or weight of the goods, shall, by order in writing, determine the number of samples to be selected and tested and the manner in which the samples are to be selected.

(3) The average of the results of the testing in pursuance of rules under sub-section (1) or of an order under sub-section (2) shall be *prima facie* evidence of the number, quantity, measure, gauge or weight, as the case may be, of the goods.

-(4) If a person having any claim to, or in relation to, any goods of which samples have been selected and tested in pursuance of rules under sub-section (1), or of an order under sub-section (2), desires that any further samples of the goods be selected and tested, such further samples shall, on his written application and on the payment in advance by him to the court or officer of customs, as the case may be, of such sums for defraying the cost of the further selection and testing as the court or officer may from time to time require, be selected and tested to such extent as may be permitted by rules made by the Central Government in this behalf or as, in the case of goods with respect to which provision is not made in such rules, the court or officer of customs may determine in the circumstances to be reasonable, the samples being selected in the manner prescribed under sub-section (1), or in sub-section (2), as the case may be.

(5) The average of the results of the testing referred to in sub-section (3) and of the further testing under sub-section (4) shall be conclusive proof of the number, quantity, measure, gauge or weight, as the case may be, of the goods.

CHAPTER XI

APPELLATE BOARD

Establish-
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Compo-
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84. The Central Government shall, by notification in the Official Gazette, establish an Appellate Board to be known as the Trade Marks Appellate Board to exercise the jurisdiction, powers and authority conferred on it by or under this Act.

85. (1) The Appellate Board shall consist of a Chairman and such number of other Members, not exceeding five, as the Central Government may deem fit and, subject to the other provisions of this Act, the jurisdiction, powers and authority of the Appellate Board may be exercised by a Bench thereof.

(2) Subject to the other provisions of this Act, a Bench shall consist of a Member and shall sit at such place as the Central Government may, by notification in the Official Gazette, specify.

86. (1) A person shall not be qualified for appointment as a Chairman, unless he—

- (a) is, or has been, a Judge of a High Court, or
 - (b) has, for at least two years, held the office of a Member.
- (2) A person shall not be qualified for appointment as a Member, unless he—

- (a) has been a member of the Indian Legal Service and has held the post in Grade I of that Service for at least three years; or
- (b) has, for at least three years held a post carrying a scale of pay which is not less than that of a Joint Secretary to the Government of India and has dealt with the subject of trade marks law; or
- (c) has, for at least ten years, held a civil judicial office; or
- (d) has, for at least ten years, been an advocate of a proven specialised experience in trade marks law; or
- (e) has, for at least three years, held the post of a Registrar; or
- (f) has, for at least seven years, held the post of a Senior Joint Registrar.

(3) Subject to the provisions of sub-section (4), the Chairman and every other Member shall be appointed by the President of India.

(4) No appointment of a person as the Chairman shall be made except after consultation with the Chief Justice of India.

87. The Chairman or other Members shall hold office as such for a term of five years from the date on which he enters upon his office or until he attains—

- (a) in the case of Chairman, the age of sixty-five years; and
 - (b) in the case of a Member, the age of sixty-two years,
- whichever is earlier.

88. (1) In the event of occurrence of any vacancy in the office of the Chairman by reason of his death, resignation or otherwise, the senior-most member shall act as Chairman until the date on which a new Chairman, appointed in accordance with the provisions of this Act to fill such vacancy, enters upon his office.

(2) When the Chairman is unable to discharge his functions owing to his absence, illness or any other cause, the senior-most Member shall discharge the functions of the Chairman until the date on which the Chairman resumes his duty.

Qualifications for appointment as Chairman and Members.

Term of office of Chairman and Members.

Senior-most Member to act as Chairman or discharge his functions in certain circumstances.

Salaries, allowances and other terms and conditions of service of Chairman and Members.

Resignation and removal.

Staff of Appellate Board.

Appeals to Appellate Board.

89. The salaries and allowances payable to, and other terms and conditions of service (including pension, gratuity and other retirement benefits) of the Chairman and other Members shall be such as may be prescribed.

90. (1) The Chairman or any other Member may, by notice in writing under his hand addressed to the President of India, resign his office:

Provided that the Chairman or any other Member shall, unless he is permitted by the President of India to relinquish his office sooner, continue to hold office until the expiry of three months from the date of receipt of such notice or until a person duly appointed as his successor enters upon his office or until the expiry of his term of office, whichever is earlier.

(2) The Chairman or any other Member shall not be removed from his office except by an order made by the President of India on the ground of proved misbehaviour or incapacity after an inquiry made by a Judge of the Supreme Court in which the Chairman or other Member had been informed of the charges against him and given a reasonable opportunity of being heard in respect of those charges.

(3) The Central Government may, by rules, regulate the procedure for the investigation of misbehaviour or incapacity of the Chairman or other Member referred to in sub-section (2).

91. (1) The Central Government shall determine the nature and categories of the officers and other employees required to assist the Appellate Board in the discharge of its functions and provide the Appellate Board with such officers and other employees as it may think fit.

(2) The salaries and allowances and conditions of service of the officers and other employees of the Appellate Board shall be such as may be prescribed.

(3) The officers and other employees of the Appellate Board shall discharge their functions under the general superintendence of the Chairman, in the manner as may be prescribed.

92. (1) Any person aggrieved by an order or decision of the Registrar under this Act, or the rules made thereunder may prefer an appeal to the Appellate Board within three months from the date on which the order or decision sought to be appealed against is communicated to such person preferring the appeal.

(2) No appeal shall be admitted if it is preferred after the expiry of the period specified under sub-section (1):

Provided that an appeal may be admitted after the expiry of the period specified therefor, if the appellant satisfies the Appellate Board that he had sufficient cause for not preferring the appeal within the specified period.

(3) An appeal to the Appellate Board shall be in the prescribed form and shall be verified in the prescribed manner and shall be accompanied by a copy of the order or decision appealed against and by such fees as may be prescribed.

5 of 1908. 93. (1) The Appellate Board shall not be bound by the procedure laid down in the Code of Civil Procedure, 1908 but shall be guided by principles of natural justice and subject to such provisions of this Act and the rules made thereunder, the Appellate Board shall have powers to regulate its own procedure including the fixing of places and times of its hearing.

5 of 1908. (2) The Appellate Board shall have, for the purpose of discharging its functions under this Act, the same powers as are vested in a civil court under the Code of Civil Procedure, 1908 while trying a suit in respect of the following matters, namely:—

- (a) receiving evidence;
- (b) issuing commissions for examination of witnesses;
- (c) requisitioning any public record; and
- (d) any other matter which may be prescribed.

45 of 1860. 2 of 1974. (3) Any proceeding before the Appellate Board shall be deemed to be a judicial proceeding within the meaning of sections 193 and 228, and for the purpose of section 196, of the Indian Penal Code, and the Appellate Board shall be deemed to be a civil court for all the purposes of section 195 and Chapter XXVI of the Code of Criminal Procedure, 1973.

94. No court or other authority shall have or, be entitled to, exercise any jurisdiction, powers or authority in relation to the matters referred to in sub-section (1) of section 92.

Bar of jurisdiction of courts, etc.

95. On ceasing to hold office, the Chairman or other Members shall not appear before the Appellate Board or the Registrar.

Bar to appear before Appellate Board.

96. Notwithstanding anything contained in any other provisions of this Act or in any other law for the time being in force, no interim order (whether by way of injunction or stay or any other manner) shall be made on, or in any proceedings relating to, an appeal unless—

(a) copies of such appeal and of all documents in support of the plea for such interim order are furnished to the party against whom such appeal is made or proposed to be made; and

(b) opportunity is given to such party to be heard in the matter.

Conditions as to making of interim orders.

97. On the application of any of the parties and after notice to the parties, and after hearing such of them as he may desire to be heard, or on his own motion without such notice, the Chairman may transfer any case pending before one Bench, for disposal, to any other Bench.

Power of Chairman to transfer cases from one Bench to another.

Procedure for application for rectification, etc., before Appellate Board.

98. (1) An application for rectification of the register made to the Appellate Board under section 57 shall be in such form as may be prescribed..

(2) A certified copy of every order or judgment of the Appellate Board relating to a registered trade mark under this Act shall be communicated to the Registrar by the Board and the Registrar shall give effect to the order of the Board and shall, when so directed, amend the entries in, or rectify, the register in accordance with such order.

Appearance of Registrar in legal proceedings.

99. (1) The Registrar shall have the right to appear and be heard—

(a) in any legal proceedings before the Appellate Board in which the relief sought includes alteration or rectification of the register or in which any question relating to the practice of the Trade Marks Registry is raised;

(b) in any appeal to the Board from an order of the Registrar on an application for registration of a trade mark—

(i) which is not opposed, and the application is either refused by the Registrar or is accepted by him subject to any amendments, modifications, conditions or limitations, or

(ii) which has been opposed and the Registrar considers that his appearance is necessary in the public interest,

and the Registrar shall appear in any case if so directed by the Board.

(2) Unless the Appellate Board otherwise directs, the Registrar may, in lieu of appearing, submit a statement in writing signed by him, giving such particulars as he thinks proper of the proceedings before him relating to the matter in issue or of the grounds of any decision given by him affecting it, or of the practice of the Trade Marks Registry in like cases, or of other matters relevant to the issues and within his knowledge as Registrar, and such statement shall be evidence in the proceeding.

Costs of Registrar in proceedings before Appellate Board.

100. In all proceedings under this Act before the Appellate Board the costs of the Registrar shall be in the discretion of the Board, but the Registrar shall not be ordered to pay the costs of any of the parties.

Transfer of pending proceedings to Appellate Board.

101. All cases of appeals against any order or decision of the Registrar and all cases pertaining to rectification of register, pending before any High Court, shall be transferred to the Appellate Board from the date as notified by the Central Government in the Official Gazette and the Appellate Board may proceed with the matter either *de novo* or from the stage it was so transferred.

CHAPTER XII

OFFENCES, PENALTIES AND PROCEDURE

102. (1) A person shall be deemed to apply a trade mark or mark or trade description to goods or services who—

- (a) applies it to the goods themselves or uses it in relation to services; or
- (b) applies it to any package in or with which the goods are sold, or exposed for sale, or had in possession for sale or for any purpose of trade or manufacture; or
- (c) places, encloses or annexes any goods which are sold, or exposed for sale, or had in possession for sale or for any purpose of trade or manufacture, in or with any package or other thing to which a trade mark or mark or trade description has been applied; or
- (d) uses a trade mark or mark or trade description in any manner reasonably likely to lead to the belief that the goods or services in connection with which it is used are designated or described by that trade mark or mark or trade description; or
- (e) in relation to the goods or services uses a trade mark or trade description in any sign, advertisement, invoice, catalogue, business letter, business paper, price list or other commercial document, and goods are delivered or services are rendered to a person in pursuance of a request or order made by reference to the trade mark or trade description as so used.

(2) A trade mark or mark or trade description shall be deemed to be applied to goods whether it is woven in, impressed on, or otherwise worked into, or annexed or affixed to, the goods or to any package or other thing.

103. (1) A person shall be deemed to falsify a trade mark who, either,—

- (a) without the assent of the proprietor of the trade mark makes that trade mark or a deceptively similar mark; or
- (b) falsify any genuine trade mark, whether by alteration, addition, effacement or otherwise.

(2) A person shall be deemed to falsely apply to goods or services a trade mark who, without the assent of the proprietor of the trade mark,—

- (a) applies such trade mark or a deceptively similar mark, to goods or services or any package containing goods;
- (b) uses any package bearing a mark which is identical with or deceptively similar to the trade mark of such proprietor, for the purpose of packing, filling or wrapping therein any goods other than the genuine goods of the proprietor of the trade mark.

Falsifying and falsely applying trade marks.

(3) Any trade mark falsified as mentioned in sub-section (1) or falsely applied as mentioned in sub-section (2), is in this Act referred to as a false trade mark.

(4) In any prosecution for falsifying a trade mark or falsely applying a trade mark to goods or services, the burden of proving the assent of the proprietor shall lie on the accused.

Penalty
for ap-
plying
false
trade
marks,
trade
descrip-
tions, etc

104. Any person who—

(a) falsifies any trade mark; or

(b) falsely applies to goods or services any trade mark; or

(c) makes, disposes of, or has in his possession, any die, block, machine, plate or other instrument for the purpose of falsifying, or of being used for falsifying, a trade mark; or

(d) applies any false trade description to goods or services; or

(e) applies to any goods to which an indication of the country or place in which they were made or produced or the name and address of the manufacturer or person for whom the goods are manufactured is required to be applied under section 140, a false indication of such country, place, name or address; or

(f) tampers with, alters or effaces an indication of origin which has been applied to any goods to which it is required to be applied under section 140; or

(g) causes any of the things above-mentioned in this section to be done,

shall, unless he proves that he acted, without intent to defraud, be punishable with imprisonment for a term which shall not be less than six months but which may extend to three years and with fine which shall not be less than fifty thousand rupees but which may extend to two lakh rupees:

Provided that the court may, for adequate and special reasons to be mentioned in the judgment, impose a sentence of imprisonment for a term of less than six months or a fine of less than fifty thousand rupees.

Penalty
for
selling
goods or
providing
services
to which
false
trade
mark
or false
trade
descrip-
tion is
applied

105. Any person who sells, lets for hire or exposes for sale, or hires or has in his possession for sale, goods or things; or provides or hires services, to which any false trade mark or false trade description is applied or which, being required under section 140 to have applied to them an indication of the country or place in which they were made or produced or the name and address of the manufacturer, or person for whom the goods are manufactured or services provided as the case may be, are without the indications so required, shall, unless he proves,—

(a) that, having taken all reasonable precautions against committing an offence against this section, he had at the time of commission of the alleged offence no reason to suspect the genuineness of the trade mark or trade description or that any offence had been committed in respect of the goods or services; or

(b) that, on demand by or on behalf of the prosecutor, he gave all the information in his power with respect to the person from whom he obtained such goods or things or services; or

(c) that otherwise he had acted innocently,

be punishable with imprisonment for a term which shall not be less than six months but which may extend to three years and with fine which shall not be less than fifty thousand rupees but which may extend to two lakh rupees:

Provided that the court may, for adequate and special reasons to be mentioned in the judgment, impose a sentence of imprisonment for a term of less than six months or a fine of less than fifty thousand rupees.

106. (1) Whoever having already been convicted of an offence under section 104 or section 105 is again convicted of any such offence shall be punishable for the second and for every subsequent offence, with imprisonment for a term which shall not be less than one year but which may extend to three years and with fine which shall not be less than one lakh rupees but which may extend to two lakh rupees:

Enhanced
penalty
on
second
or sub-
sequent
convic-
tion.

Provided that the court may, for adequate and special reason to be mentioned in the judgment, impose a sentence of imprisonment for a term of less than one year or a fine of less than one lakh rupees:

Provided further that for the purposes of this section, no cognizance shall be taken of any conviction made before the commencement of this Act.

107. If any person removes or attempts to remove or causes or attempts to cause to be removed for sale from any premises referred to in section 82 or sells or exposes for sale or has in his possession for sale or for any purpose of trade or manufacture piece goods or cotton yarn or cotton thread which is not marked as required by that section, every such piece and every such bundle of yarn and all such thread and everything used for the packing thereof shall be forfeited to Government and such person shall be punishable with fine which may extend to one thousand rupees.

Penalty
for
removing
piece
goods,
etc.,
contrary
to section
82.

108. (1) No person shall make any representation—

(a) with respect to a mark, not being a registered trade mark, to the effect that it is a registered trade mark; or

(b) with respect to a part of a registered trade mark not being a part separately registered as a trade mark, to the effect that it is separately registered as a trade mark; or

(c) to the effect that a registered trade mark is registered in respect of any goods or services in respect of which it is not in fact registered; or

(d) to the effect that registration of a trade mark gives an exclusive right to the use thereof in any circumstances in which, having regard to limitations entered on the register, the registration does not in fact give that right.

Penalty
for
falsely
repre-
sent-
ing a
trade
mark
as regis-
tered.

(2) If any person contravenes any of the provisions of sub-section (1), he shall be punishable with imprisonment for a term which may extend to three years, or with fine, or with both.

(3) For the purposes of this section, the use in India in relation to a trade mark of the word "registered", or of any other expression, symbol or sign referring whether expressly or impliedly to registration, shall be deemed to import a reference to registration in the register, except—

(a) where that word or other expression, symbol or sign is used in direct association with other words delineated in characters at least as large as those in which that word or other expression, symbol or sign is delineated and indicating that the reference is to registration as a trade mark under the law of a country outside India being a country under the law of which the registration referred to is in fact in force; or

(b) where that other expression, symbol or sign is of itself such as to indicate that the reference is to such registration as is mentioned in clause (a); or

(c) where that word is used in relation to a mark registered as a trade mark under the law of a country outside India and in relation solely to goods to be exported to that country or in relation to services for use in that country.

Penalty
for
improperly
descri-
bing a
place of
business
as con-
nected
with the
Trade
Marks
Office.

109. If any person uses on his place of business, or on any document issued by him, or otherwise, words which would reasonably lead to the belief that his place of business is, or is officially connected with, the Trade Marks Office, he shall be punishable with imprisonment for a term which may extend to two years, or with fine, or with both.

Penalty
for
falsifica-
tion of
entries
in the
register.

110. If any person makes, or causes to be made, a false entry in the register, or a writing falsely purporting to be a copy of an entry in the register, or produces or tenders or causes to be produced or tendered, in evidence any such writing, knowing the entry or writing to be false, he shall be punishable with imprisonment for a term which may extend to two years, or with fine, or with both.

No offen-
ce in cer-
tain cases.

111. The provisions of sections 103, 104, 105 and 106 shall, in relation to a registered trade mark or proprietor of such mark, be subject to the rights created or recognised by this Act, and no act or omission shall be deemed to be an offence under the aforesaid sections if,—

(a) the alleged offence relates to a registered trade mark and the act or omission is permitted under this Act; and

(b) the alleged offence relates to a registered or an unregistered trade mark and the act or omission is permitted under any other law for the time being in force.

112. (1) Where a person is convicted of an offence under section 104 or section 105 or section 106 or is acquitted of an offence under section 104 or section 105 on proof that he acted without intent to defraud, or under section 105 on proof of the matters specified in clauses (a), (b) and (c) of that section, the court convicting or acquitting him may direct the forfeiture to Government of all goods and things by means of, or in relation to, which the offence has been committed, or but for such proof as aforesaid would have been committed.

Forfeiture of goods.

(2) When a forfeiture is directed on a conviction and an appeal lies against the conviction, an appeal shall lie against the forfeiture also.

(3) When a forfeiture is directed on an acquittal and the goods or things to which the direction relates are of value exceeding fifty rupees, an appeal against the forfeiture may be preferred, within thirty days from the date of the direction, to the court to which in appealable cases appeals lie from sentences of the court which directed the forfeiture.

(4) When a forfeiture is directed on a conviction, the court, before whom the person is convicted, may order any forfeited articles to be destroyed or otherwise disposed of as the court thinks fit.

113. Where a person accused of an offence under section 104 proves—

Exemption of certain persons employed in ordinary course of business.

(a) that in the ordinary course of his business he is employed on behalf of other persons to apply trade marks or trade descriptions, or, as the case may be, to make dies, blocks, machines, plates, or other instruments for making, or being used in making, trade marks; and

(b) that in the case which is the subject of the charge he was so employed, and was not interested in the goods or other thing by way of profit or commission dependent on the sale of such goods or providing of services, as the case may be; and

(c) that, having taken all reasonable precautions against committing the offence charged, he had, at the time of the commission of the alleged offence, no reason to suspect the genuineness of the trade mark or trade description; and

(d) that, on demand made by or on behalf of the prosecutor, he gave all the information in his power with respect to the persons on whose behalf the trade mark or trade description was applied,

he shall be acquitted.

114. (1) Where the offence charged under section 104 or section 105 or section 106 is in relation to a registered trade mark and the accused pleads that the registration of the trade mark is invalid, the following procedure shall be followed:—

Procedure where invalidity of registration is pleaded by the accused.

(a) If the court is satisfied that such defence is *prima facie* tenable, it shall not proceed with the charge but shall adjourn the proceeding for three months from the date on which the plea of the accused is recorded to enable the accused to file an application before the Appellate Board under this Act, for the rectification of the register on the ground that the registration is invalid.

(b) If the accused proves to the court that he has made such application within the time so limited or within such further time as the court may for sufficient cause allow, the further proceedings in the prosecution shall stand stayed till the disposal of such application for rectification.

(c) If within a period of three months or within such extended time as may be allowed by the court the accused fails to apply to the Appellate Board for rectification of the register, the court shall proceed with the case as if the registration were valid.

(2) Where before the institution of a complaint of an offence referred to in sub-section (1), any application for the rectification of the register concerning the trade mark in question on the ground of invalidity of the registration thereof has already been properly made to and is pending before the tribunal, the court shall stay the further proceedings in the prosecution pending the disposal of the application aforesaid and shall determine the charge against the accused in conformity with the result of the application for rectification in so far as the complainant relies upon the registration of his mark.

Offences
by
com-
pa-
nies.

115. (1) If the person committing an offence under this Act is a company, the company as well as every person in charge of, and responsible to, the company for the conduct of its business at the time of the commission of the offence shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or that the commission of the offence is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation.—For the purposes of this section—

(a) "company" means any body corporate and includes a firm or other association of individuals; and

(b) "director", in relation to a firm, means a partner in the firm.

Cogni-
zance of
certain
offences
and the
powers of
police
officer for
search and
seizure.

116. (1) No court shall take cognizance of an offence under section 108 or section 109 or section 110 except on complaint in writing made by the Registrar or any officer authorised by him in writing:

Provided that in relation to clause (c) of sub-section (1) of section 108, a court shall take cognizance of an offence on the basis of a certificate issued by the Registrar to the effect that a registered trade mark has been represented as registered in respect of any goods or services in respect of which it is not in fact registered.

(2) No court inferior to that of a Metropolitan Magistrate or Judicial Magistrate of the first class shall try an offence under this Act.

(3) The offences under section 104 or section 105 or section 106 shall be cognizable.

(4) Any police officer not below the rank of sub-inspector, may, if he is satisfied that any of the offences referred to in sub-section (3) has been, is being, or is likely to be, committed, search and seize without warrant the goods, die, block, machine, plate, other instruments or things involved in committing the offence, wherever found, and all the articles so seized shall, as soon as practicable, be produced before a Judicial Magistrate of the first class or Metropolitan Magistrate, as the case may be:

Provided that the police officer, before making any search and seizure shall obtain the opinion of the Registrar on facts involved in the offence relating to trade mark and shall abide by the opinion so obtained.

(5) Any person having an interest in any articles seized under sub-section (4), may, within fifteen days of such seizure, make an application to the Judicial Magistrate of the first class or Metropolitan Magistrate, as the case may be, for such articles being restored to him and the Magistrate, after hearing the applicant and the prosecution, shall make such order on the application as he may deem fit.

52 of 1962.

117. In the case of goods brought into India by sea, evidence of the port of shipment shall, in a prosecution for an offence under this Act or under clause (b) of section 112 of the Customs Act, 1962, relating to confiscation of goods under clause (d) of section 111 and notified by the Central Government under clause (n) of sub-section (2) of section 11 of the said Act for the protection of trade marks relating to import of goods, be *prima facie* evidence of the place or country in which the goods are made or produced.

Evidence of origin of goods imported by sea.

118. In any prosecution under this Act, the court may order such costs to be paid by the accused to the complainant, or by the complainant to the accused, as the court deemed reasonable having regard to all the circumstances of the case and the conduct of the parties and the costs so awarded shall be recoverable as if they were a fine.

Costs of defence or prosecution.

52 of 1962.

119. No prosecution for an offence under this Act or under clause (b) of section 112 of the Customs Act, 1962, relating to confiscation of goods under clause (d) of section 111 and notified by the Central Government under clause (n) of sub-section (2) of section 11 of the said Act for the protection of trade marks, relating to import of goods shall be commenced after expiration of three years next after the commission of the offence charged, or two years after the discovery thereof by the prosecutor, whichever expiration first happens.

Limitation of prosecution.

120. An officer of the Government whose duty it is to take part in the enforcement of the provisions of this Chapter shall not be compelled in any court to say whence he got any information as to the commission of any offence against this Act.

Information as to commission of offence.

Punish-
ment of
abet-
ment in
India
of acts
done
out of
India.

Instructions of
Central
Govern-
ment
as to
permis-
sible
varia-
tion to
be obser-
ved by
crimi-
nal
courts.

Protec-
tion of
action
taken in
good
faith.

Certain
persons
to be
public
servants.

Stay of
proceed-
ings
where
the
validity
of regis-
tration
of the
trade
mark is
questioned
etc.

121. If any person, being within India, abets the commission, without India, of any act which, if committed in India, would, under this Act, be an offence, he may be tried for such abetment in any place in India in which he may be found, and be punished therefor with the punishment to which he would be liable if he had himself committed in that place the act which he abetted.

122. The Central Government may, by notification in the Official Gazette, issue instructions for the limits of variation, as regards number, quantity, measure, gauge or weight which are to be recognised by criminal courts as permissible in the case of any goods.

CHAPTER XIII

MISCELLANEOUS

123. No suit or other legal proceedings shall lie against any person in respect of anything which is in good faith done or intended to be done in pursuance of this Act.

124. Every person appointed under this Act and every Member of the Appellate Board shall be deemed to be a public servant within the meaning of section 21 of the Indian Penal Code.

45 of 1860.

125. (1) Where in any suit for the infringement of a trade mark—

(a) the defendant pleads that the registration of the plaintiff's trade mark is invalid; or

(b) the defendant raises a defence under clause (e) of sub-section (2) of section 30 and the plaintiff pleads the invalidity of registration of the defendant's trade mark,

the court trying the suit (hereinafter referred to as the court), shall,—

(i) if any proceedings for rectification of the register in relation to the plaintiff's or defendant's trade mark are pending before the Registrar or the Appellate Board, stay the suit pending the final disposal of such proceedings;

(ii) if no such proceedings are pending and the court is satisfied that the plea regarding the invalidity of the registration of the plaintiff's or defendant's trade mark is *prima facie* tenable, raise an issue regarding the same and adjourn the case for a period of three months from the date of the framing of the issue in order to enable

the party concerned to apply to the Appellate Board for rectification of the register.

(2) If the party concerned proves to the court that he has made any such application as is referred to in clause (b) (ii) of sub-section (1) within the time specified therein or within such extended time as the court may for sufficient cause allow, the trial of the suit shall stand stayed until the final disposal of the rectification proceedings.

(3) If no such application as aforesaid has been made within the time so specified or within such extended time as the court may allow, the issue as to the validity of the registration of the trade mark concerned shall be deemed to have been abandoned and the court shall proceed with the suit in regard to the other issues in the case.

(4) The final order made in any rectification proceedings referred to in sub-section (1) or sub-section (2) shall be binding upon the parties and the court shall dispose of the suit conformably to such order in so far as it relates to the issue as to the validity of the registration of the trade mark.

(5) The stay of a suit for the infringement of a trade mark under this section shall not preclude the court from making any interlocutory order (including any order granting an injunction, directing accounts to be kept, appointing a receiver or attaching any property), during the period of the stay of the suit.

126. (1) Where in a suit for infringement of a registered trade mark the validity of the registration of the plaintiff's trade mark is questioned by the defendant or where in any such suit the defendant raises a defence under clause (e) of sub-section (2) of section 30 and the plaintiff questions the validity of the registration of the defendant's trade mark, the issue as to the validity of the registration of the trade mark concerned shall be determined only on an application for the rectification of the register and notwithstanding anything contained in section 47 or section 57, such application shall be made to the Appellate Board and not to the Registrar.

(2) Subject to the provisions of sub-section (1), where an application for rectification of the register is made to the Registrar under section 47 or section 57, the Registrar may, if he thinks fit, refer the application at any stage of the proceedings to the Appellate Board.

127. Where a mark or a trade mark or trade description has been applied to the goods on sale or in the contract for sale of any goods or in relation to any service, the seller shall be deemed to warrant that the mark is a genuine mark and not falsely applied, or that the trade description is not a false trade description within the meaning of this Act, unless the contrary is expressed in writing signed by or on behalf of the seller and delivered at the time of the sale of goods or providing of services on contract to and accepted by the buyer.

128. In all proceedings under this Act before the Registrar,—

(a) the Registrar shall have all the powers of a civil court for the purposes of receiving evidence, administering oaths, enforcing

Appli-
cation
for
rectifica-
tion
of
register
to
be made to
Appellate
Board
in
certain
cases.

Implied
warranty
on sale
of
marked
goods.

Powers of
Registrar.

the attendance of witnesses, compelling the discovery and production of documents and issuing commissions for the examination of witnesses;

(b) the Registrar may, subject to any rules made in this behalf under section 158, make such orders as to costs as he considers reasonable, and any such order shall be executable as a decree of a civil court:

Provided that the Registrar shall have no power to award costs to or against any party on an appeal to him against a refusal of the proprietor of a certification trade mark to certify goods or provision of services or to authorise the use of the mark;

(c) the Registrar may, on an application made in the prescribed manner, review his own decision.

Exercise of discretionary power by Registrar.

129. Subject to the provisions of section 132, the Registrar shall not exercise any discretionary or other power vested in him by this Act or the rules made thereunder adversely to a person applying for the exercise of that power without (if so required by that person within the prescribed time) giving to that person an opportunity of being heard.

Evidence before Registrar.

130. In any proceeding under this Act before the Registrar, evidence shall be given by affidavit:

Provided that the Registrar may, if he thinks fit, take oral evidence in lieu of, or in addition to, such evidence by affidavit.

Death of party to a proceeding.

131. If a person who is a party to a proceeding under this Act (not being a proceeding before the Appellate Board or a court) dies pending the proceeding, the Registrar may, on request, and on proof to his satisfaction of the transmission of the interest of the deceased person, substitute in the proceeding his successor in interest in his place, or, if the Registrar is of opinion that the interest of the deceased person is sufficiently represented by the surviving parties, permit the proceeding to continue without the substitution of his successor in interest.

Extensi-
sion of time.

132. (1) If the Registrar is satisfied, on application made to him in the prescribed manner and accompanied by the prescribed fee, that there is sufficient cause for extending the time for doing any act (not being a time expressly provided in the Act), whether the time so specified has expired or not, he may, subject to such conditions as he may think fit to impose, extend the time and inform the parties accordingly.

(2) Nothing in sub-section (1) shall be deemed to require the Registrar to hear the parties before disposing of an application for extension of time, and no appeal shall lie from any order of the Registrar under this section.

Abandon-
ment.

133. Where, in the opinion of the Registrar, an applicant is in default in the prosecution of an application filed under this Act or any Act relating to trade marks in force prior to the commencement of this Act, the Registrar may, by notice require the applicant to remedy the default

within a time specified and after giving him, if so desired, an opportunity of being heard, treat the application as abandoned, unless the default is remedied within the time specified in the notice.

134. (1) The Registrar may, on application made to him in the prescribed manner by any person who proposes to apply for the registration of a trade mark, give advice as to whether the trade mark appears to him *prima facie* to be distinctive.

(2) If, on an application for the registration of a trade mark as to which the Registrar has given advice as aforesaid in the affirmative made within three months after the advice was given, the Registrar, after further investigation or consideration, gives notice, to the applicant of objection on the ground that the trade mark is not distinctive, the applicant shall be entitled, on giving notice of withdrawal of the application within the prescribed period, to have repaid to him any fee paid on the filing of the application.

Preliminary advice by the Registrar as to distinctiveness.

135. (1) No suit—

- (a) for the infringement of a registered trade mark; or
- (b) relating to any right in a registered trade mark; or
- (c) for passing off arising out of the use by the defendant of any trade mark which is identical with or deceptively similar to the plaintiff's trade mark, whether registered or unregistered,

Suit for infringement, etc., to be instituted before District Court.

shall be instituted in any court inferior to a District Court having jurisdiction to try the suit.

5 of 1908.

(2) For the purpose of clauses (a) and (b) of sub-section (1), a "District Court having jurisdiction" shall, notwithstanding anything contained in the Code of Civil Procedure, 1908 or any other law for the time being in force, include a District Court within the local limits of whose jurisdiction, at the time of the institution of the suit or other proceeding, the person instituting the suit or proceeding or, where there are more than one such persons any of them actually and voluntarily resides or carries on business or personally works for gain.

Explanation.—For the purpose of sub-section (2), "person" includes the registered proprietor and the registered user.

136. (1) The relief which a court may grant in any suit for infringement or for passing off referred to in section 135 includes injunction (subject to such terms, if any, as the court thinks fit) and at the option of the plaintiff, either damages or an account of profits, together with or without any order for the delivery-up of the infringing labels and marks for destruction or erasure.

Relief in suits for infringement or for passing off.

(2) The order of injunction under sub-section (1) may include an *ex parte* injunction or any interlocutory order for any of the following matters, namely:—

- (a) for discovery of documents;
- (b) preserving of infringing goods, documents or other evidence which are related to the subject-matter of the suit;

(c) restraining the defendant from disposing of or dealing with his assets in a manner which may adversely affect plaintiff's ability to recover damages, costs or other pecuniary remedies which may be finally awarded to the plaintiff.

(3) Notwithstanding anything contained in sub-section (1), the court shall not grant relief by way of damages (other than nominal damages) or on account of profits in any case—

(a) where in a suit for infringement of a trade mark, the infringement complained of is in relation to a certification trade mark or collective mark; or

(b) where in a suit for infringement the defendant satisfies the court—

(i) that at the time he commenced to use the trade mark complained of in the suit he was unaware and had no reasonable ground for believing that the trade mark of the plaintiff was on the register or that the plaintiff was a registered user using by way of permitted use; and

(ii) that when he became aware of the existence and nature of the plaintiff's right in the trade mark, he forthwith ceased to use the trade mark in relation to goods or services in respect of which it was registered; or

(c) where in a suit for passing off the defendant satisfies the court—

(i) that at the time he commenced to use the trade mark complained of in the suit he was unaware and had no reasonable ground for believing that the trade mark of the plaintiff was in use; and

(ii) that when he became aware of the existence and nature of the plaintiff's trade mark he forthwith ceased to use the trade mark complained of.

137. (1) In every proceeding under Chapter VII or under section 92, every registered user of a trade mark using by way of permitted use, who is not himself an applicant in respect of any proceeding under that Chapter or section, shall be made a party to the proceeding.

(2) Notwithstanding anything contained in any other law, a registered user so made a party to the proceeding shall not be liable for any costs unless he enters an appearance and takes part in the proceeding.

138. (1) A copy of any entry in the register or of any document referred to in sub-section (1) of section 149 purporting to be certified by the Registrar and sealed with the seal of the Trade Marks Registry, shall be admitted in evidence in all courts and in all proceedings without further proof or production of the original.

(2) A certificate purporting to be under the hand of the Registrar as to any entry, matter or thing that he is authorised by this Act or the rules to make or do shall be *prima facie* evidence of the entry having

Registered user
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Evidence
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been made, and of the contents thereof, or of the matter or things having been done or not done.

139. The Registrar or any officer of the Trade Marks Registry shall not, in any legal proceedings to which he is not a party, be compellable to produce the register or any other document in his custody, the contents of which can be proved by the production of a certified copy issued under this Act or to appear as a witness to prove the matters therein recorded unless by order of the court made for special cause.

Registrar and other officers not compellable to produce register, etc.

140. (1) The Central Government may, by notification in the Official Gazette, require that goods of any class specified in the notification which are made or produced beyond the limits of India and imported into India, or which are made or produced within the limits of India, shall, from such date as may be appointed by the notification not being less than three months from its issue, have applied to them an indication of the country or place in which they were made or produced, or of the name and address of the manufacturer or the person for whom the goods were manufactured.

Power to require goods to show indication of origin.

(2) The notification may specify the manner in which such indication shall be applied, that is to say, whether to goods themselves or in any other manner, and the times or occasions on which the presence of the indication shall be necessary, that is to say, whether on importation only, or also at the time of sale, whether by wholesale or retail or both.

(3) No notification under this section shall be issued, unless application is made for its issue by persons or associations substantially representing the interests of dealers in, or manufacturers, producers, or users of, the goods concerned, or unless the Central Government is otherwise convinced that it is necessary in the public interest to issue the notification, with or without such inquiry as the Central Government may consider necessary.

10 of 1897.

(4) The provisions of section 23 of the General Clauses Act, 1897, shall apply to the issue of a notification under this section as they apply to the making of a rule or bye-law the making of which is subject to the condition of previous publication.

(5) A notification under this section shall not apply to goods made or produced beyond the limits of India and imported into India, if in respect of those goods, the Collector of Customs is satisfied at the time of importation that they are intended for exportation whether after transhipment in or transit through India or otherwise.

Power to require information of imported goods bearing false trade marks.

141 (1) The proprietor or a licensee of a registered trade mark may give notice in writing to the Collector of Customs to prohibit the importation of any goods if the import of the said goods constitute infringement under clause (c) of sub-section (6) of section 29.

52 of 1962.

(2) Where goods, which are prohibited to be imported into India by notification of the Central Government under clause (n) of sub-section (2) of section 11 of the Customs Act, 1962, for the protection of trade marks, and are liable to confiscation on importation under that

Act, are imported into India, the Collector of Customs if, upon representation made to him, he has reason to believe that the trade mark complained of is used as a false trade mark, may require the importer of the goods, or his agent, to produce any documents in his possession relating to the goods and to furnish information as to the name and address of the person by whom the goods were consigned to India and the name and address of the person to whom the goods were sent in India.

(3) The importer or his agent shall, within fourteen days, comply with the requirement as aforesaid, and if he fails to do so, he shall be punishable with fine which may extend to five hundred rupees.

(4) Any information obtained from the importer of the goods or his agent under this section may be communicated by the Collector of Customs to the registered proprietor or registered user of the trade mark which is alleged to have been used as a false trade mark.

142. If in any legal proceeding for rectification of the register before the Appellate Board a decision is on contest given in favour of the registered proprietor of the trade mark on the issue as to the validity of the registration of the trade mark, the Appellate Board may grant a certificate to that effect, and if such a certificate is granted, then in any subsequent legal proceeding in which the said validity comes into question the said proprietor on obtaining a final order or judgment in his favour affirming validity of the registration of the trade mark shall, unless the said final order or judgment for sufficient reason directs otherwise, be entitled to his full cost, charges and expenses as between legal practitioner and client.

Certificate of validity.

Groundless threats of legal proceedings.

143. (1) Where a person, by means of circulars, advertisements or otherwise, threatens a person with an action or proceeding for infringement of a trade mark which is registered, or alleged by the first-mentioned person to be registered, or with some other like proceeding, a person aggrieved may, whether the person making the threats is or is not the registered proprietor or the registered user of the trade mark, bring a suit against the first-mentioned person and may obtain a declaration to the effect that the threats are unjustifiable, and an injunction against the continuance of the threats, and may recover such damages (if any) as he has sustained, unless the first-mentioned person satisfies the court that the trade mark is registered and that the acts in respect of which the proceedings were threatened constitute, or, if done, would constitute, an infringement of the trade mark.

(2) The last preceding sub-section does not apply if the registered proprietor of the trade mark, or a registered user acting in pursuance of sub-section (1) of section 52, with due diligence commences and prosecutes an action against the person threatened for infringement of the trade mark.

(3) Nothing in this section shall render a legal practitioner or a registered trade marks agent liable to an action under this section in respect of an act done by him in his professional capacity on behalf of a client.

(4) A suit under sub-section (1) shall not be instituted in any court inferior to a District Court.

144. An address for service stated in an application or notice of opposition shall, for the purposes of the application or notice of opposition, be deemed to be the address of the applicant or opponent, as the case may be, and all documents in relation to the application or notice of opposition may be served by leaving them at or sending them by post to the address for service of the applicant or opponent, as the case may be.

Address for Service.

145. In any suit or other proceeding relating to a trade mark, the tribunal shall admit evidence of the usages of the trade concerned and of any relevant trade mark or trade name or get up legitimately used by other persons.

Trade usage, etc., to be taken into consideration.

146. Where, by or under this Act, any act, other than the making of an affidavit, is required to be done before the Registrar by any person, the act may, subject to the rules made in this behalf, be done, instead of by that person himself, by a person duly authorised in the prescribed manner, who is—

Agents.

- (a) a legal practitioner, or
- (b) a person registered in the prescribed manner as a trade marks agent, or
- (c) a person in the sole and regular employment of the principal.

147. If an agent or a representative of the proprietor of a registered trade mark, without authority uses or attempts to register or registers the mark in his own name, the proprietor shall be entitled to oppose the registration applied for or secure its cancellation or rectification of the register so as to bring him as the registered proprietor of the said mark by assignment in his favour:

Marks registered by an agent or representative without authority.

Provided that such action shall be taken within three years of the registered proprietor of the trade mark becoming aware of the conduct of the agent or representative.

148. There shall be kept under the direction and supervision of the Registrar,—

Indexes.

- (a) an index of registered trade marks,
- (b) an index of trade marks in respect of which applications for registration are pending,
- (c) an index of the names of the proprietors of registered trade marks, and
- (d) an index of the names of registered users.

149. (1) Save as otherwise provided in sub-section (4) of section 49,—

- (a) the register and any document upon which any entry in the register is based;
- (b) every notice of opposition to the registration of a trade mark, application for rectification before the Registrar, counter-statement thereto, and any affidavit or documents filed by the parties in any proceedings before the Registrar;

Documents open to public inspection.

(c) all regulations deposited under section 64 or section 75, and all applications under section 67 or section 78 for varying such regulations;

(d) the indexes mentioned in section 148; and

(e) such other documents as the Central Government may, by notification in the Official Gazette, specify,

shall, subject to such conditions as may be prescribed, be open to public inspection at the Trade Marks Registry.

(2) Any person may, on an application to the Registrar and on payment of such fees as may be prescribed, obtain a certified copy of any entry in the register or any document referred to in sub-section (1).

Reports of Registrar to be placed before Parliament

150. The Central Government shall cause to be placed before both Houses of Parliament once a year a report respecting the execution by or under the Registrar of this Act.

Fees and surcharge.

151. (1) There shall be paid in respect of applications and registration and other matters under this Act such fees and surcharge as may be prescribed by the Central Government.

(2) Where a fee is payable in respect of the doing of an act by the Registrar, the Registrar shall not do that act until the fee has been paid.

(3) Where a fee is payable in respect of the filing of a document at the Trade Marks Registry, the document shall be deemed not to have been filed at the Registry until the fee has been paid.

Savings in respect of certain matters in Chapter XII.

152. Nothing in Chapter XII shall—

(a) exempt any person from any suit or other proceeding which might, but for anything in that Chapter, be brought against him, or

(b) entitle any person to refuse to make a complete discovery, or to answer any question or interrogatory in any suit or other proceeding, but such discovery or answer shall not be admissible in evidence against such person in any such prosecution for an offence under that Chapter or against clause (h) of section 112 of the Customs Act, 1962, relating to confiscation of goods under clause (d) of section 111 of that Act and notified by the Central Government under clause (n) of sub-section (2) of section 11 thereof for the protection of trade marks relating to import of goods, or

(c) be construed so as to render liable to any prosecution or punishment any servant of a master resident in India who in good faith acts in obedience to the instructions of such master, and, on demand made by or on behalf of the prosecutor, has given full information as to his master and as to the instructions which he has received from his master.

16 of 1908.

153. Notwithstanding anything contained in the Registration Act, 1908, no document declaring or purporting to declare the ownership or title of a person to a trade mark other than a registered trade mark shall be registered under that Act.

Declaration as to ownership of trade mark not registrable under the Registration Act, 1908.

154. The provisions of this Act shall be binding on the Government.

Government to be bound.

155. (1) With a view to the fulfilment of a treaty, convention or arrangement, with any country outside India which affords to citizens of India similar privileges as granted to its own citizens, the Central Government may, by notification in the Official Gazette, declare such country to be a convention country for the purposes of this Act.

Special provisions relating to applications for registration from citizens of convention countries.

(2) Where a person has made an application for the registration of a trade mark in a convention country and that person, or his legal representative or assignee, makes an application for the registration of the trade mark in India within six months after the date on which the application was made in the convention country, the trade mark shall, if registered under this Act, be registered as of the date on which the application was made in the convention country and that date shall be deemed for the purposes of this Act to be the date of registration.

(3) Where applications have been made for the registration of a trade mark in two or more convention countries, the period of six months referred to in the last preceding sub-section shall be reckoned from the date on which the earlier or earliest of those applications was made.

(4) Nothing in this Act shall entitle the proprietor of a trade mark to recover damages for infringement which took place prior to the date of application for registration under this Act.

156. Where any country specified by the Central Government in this behalf by notification in the Official Gazette does not accord to citizens of India the same rights in respect of the registration and protection of trade marks as it accords to its own nationals, no national of such country shall be entitled, either solely or jointly with any other person—

Provision as to reciprocity.

(a) to apply for the registration of, or be registered as the proprietor of, a trade mark,

(b) to be registered as the assignee of the proprietor of a registered trade mark, or

(c) to apply for registration or be registered as a registered user of a trade mark under section 49.

Power of
Central
Govern-
ment to
remove
difficul-
ties.

157. (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as may appear to be necessary for removing the difficulty:

Provided that no order shall be made under this section after the expiry of five years from the commencement of this Act.

(2) Every order made under this section shall, as soon as may be after it is made, be laid before each House of Parliament.

Power to
make
rules.

158. (1) The Central Government may, by notification in the Official Gazette and subject to the condition of previous publication, make rules to carry out the provisions of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(i) the matters to be included in the Register of Trade Marks under sub-section (1) of section 6;

(ii) the manner in which the Registrar may notify a word as an international non-proprietary name under section 13;

(iii) the manner of making an application for dissolution of an association under sub-section (5) of section 16;

(iv) the manner of making an application for registration of a trade mark under sub-section (1) of section 18;

(v) the manner of advertising of an application for registration under sub-section (1) and the manner of notifying corrections or amendments under sub-section (2) of section 20;

(vi) the manner of making an application and the fee payable for such application, giving notice under sub-section (1) and sending counter-statements under sub-section (2) and submission of evidence and the time therefor under sub-section (4) of section 21;

(vii) the form of certificate of registration under sub-section (2) and the manner of giving notice to the applicant under sub-section (3) of section 23;

(viii) the forms of application, the time within which such application is to be made and fee and surcharge if any payable with each application, under section 25 and the time within which the Registrar shall send a notice and the manner of such notice under sub-section (3) of that section;

(ix) the manner of submitting statement of cases under sub-section (2) of section 40;

(x) the manner of making an application by the proprietor of a trade mark under section 41;

(xi) the manner of making an application for assignment or transmission of a certification trade mark under section 43;

(xii) the manner of making an application to the Registrar to register title under sub-section (1) of section 45;

(xiii) the manner in which and the period within which an application is to be made under sub-section (4) of section 46;

- (xiv) the manner of making an application under sub-section (2) of section 47;
- (xv) the manner of making an application, documents and other evidence to accompany such application under sub-section (1) and the manner in which notice is to be issued under sub-section (3) of section 49;
- (xvi) the manner of making an application under sub-section (1), the manner of issuing a notice under sub-section (2) and the procedure for cancelling a registration under sub-section (3) of section 50;
- (xvii) the manner of making applications under sub-sections (1) and (2) the manner of giving notice under sub-section (4) and the manner of service of notice of rectification under sub-section (5), of section 57;
- (xviii) the manner of making an application under section 58;
- (xix) the manner of making an application under sub-section (1), the manner of advertising an application, time and manner of notice by which application may be opposed under sub-sections (2) and (3) of section 59;
- (xx) the manner of advertisement under sub-section (2) of section 60;
- (xxi) the other matters to be specified in the regulations under sub-section (2) of section 64;
- (xxii) the manner of making an application under sub-section (1) of section 72;
- (xxiii) the manner of advertising an application under section 74;
- (xxiv) the manner of making an application under section 78;
- (xxv) the classes of goods under section 80;
- (xxvi) the conditions and restrictions under sub-section (2) of section 81;
- (xxvii) determination of character of textile goods by sampling under section 83;
- (xxviii) the salaries and allowances payable and other terms and conditions of service of the Chairman and other Members under section 89;
- (xxix) the procedure for investigation of misbehaviour or incapacity of the Chairman and other Members under sub-section (3) of section 90;
- (xxx) the salaries and allowances and other conditions of service of the officers and other employees of the Appellate Board under sub-section (2) and the manner in which the officers and other employees of the Appellate Board shall discharge their functions under sub-section (3) of section 91;
- (xxxi) the form of making an appeal, the manner of verification and the fee payable under sub-section (3) of section 92;
- (xxxii) the form in which and the particulars to be included in the application to the Appellate Board under section 98;
- (xxxiii) the manner of making an application for review under section 128;

(xxxiv) the time within which an application is to be made to the Registrar for exercising his discretionary power under section 129;

(xxxv) the manner of making an application and the fee payable therefor under sub-section (1) of section 132;

(xxxvi) the manner of making an application under sub-section (1) and the period for withdrawal of such application under sub-section (2) of section 134;

(xxxvii) the manner of authorising any person to act and the manner of registration as a trade mark agent under section 146;

(xxxviii) the conditions for inspection of documents under sub-section (1) and the fee payable for obtaining a certified copy of any entry in the register under sub-section (2) of section 149;

(xxxix) the fees and surcharge payable for making applications, registration and other matters under section 151;

(xl) any other matter which is required to be, or may be, prescribed.

(3) Every rule made by the Central Government under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Amendments.

158. The enactment specified in the Schedule shall be amended in the manner specified therein.

Repeal and savings.

160. (1) The Trade and Merchandise Marks Act, 1958 is hereby repealed. 43 of 1958.

(2) Without prejudice to the provisions contained in the General Clauses Act, 1897, with respect to repeals, any notification, rule, order, requirement, registration, certificate, notice, decision, determination, direction, approval, authorisation, consent, application, request or thing made, issued, given or done under the Trade and Merchandise Marks Act, 1958 shall, if in force at the commencement of this Act, continue to be in force and have effect as if made, issued, given or done under the corresponding provisions of this Act. 10 of 1897.

(3) The provisions of this Act shall apply to any application for registration of a trade mark pending at the commencement of this Act and to any proceedings consequent thereon and to any registration granted in pursuance thereof. 43 of 1958.

(4) Subject to the provisions of section 101 and notwithstanding anything contained in any other provision of this Act, any legal proceeding pending in any court at the commencement of this Act may be continued in that court as if this Act had not been passed.

(5) Notwithstanding anything contained in this Act, where a particular use of a registered trade mark is not an infringement of a trade mark registered before the commencement of this Act, then the continued use of that mark shall not be an infringement under this Act.

(6) Notwithstanding anything contained in sub-section (2), the date of expiration of registration of a trade mark registered before the commencement of this Act shall be the date immediately after the period of seven years for which it was registered or renewed:

Provided that the registration of a defensive trade mark referred to in section 47 of the Trade and Merchandise Marks Act, 1958 shall cease to have effect on the date immediately after the expiry of five years of such commencement or after the expiry of the period for which it was registered or renewed, whichever is earlier.

THE SCHEDULE

(See section 159)

AMENDMENTS

Year	Act No.	Short title	Amendment
1956	1	The Companies Act, 1956	<p>(I) In section 20, for sub-section (2), the following sub-sections shall be substituted, namely:—</p> <p>“(2) Without prejudice to the generality of the foregoing power, a name which is identical with, or too nearly resembles,—</p> <ul style="list-style-type: none"> (i) the name by which a company in existence has been previously registered, or (ii) a registered trade mark, or a trade mark which is subject of an application for registration, of any other person under the Trade Marks Act, 1993, <p>may be deemed to be undesirable by the Central Government within the meaning of sub-section (1).</p> <p>(3) The Central Government may, before deeming a name as undesirable under clause (ii) of sub-section (2), consult the Registrar of Trade Marks.”.</p> <p>(II) In section 22, in sub-section (1),—</p> <ul style="list-style-type: none"> (i) for the portion beginning with “If, through” and ending with “the first-mentioned company—”, the following shall be substituted, namely:— <p>“If, through inadvertence or otherwise, a company on its first registration or on its registration by a new name, is registered by a name which,—</p> <ul style="list-style-type: none"> (i) in the opinion of the Central Government, is identical with, or too nearly resembles, the name by which a company in existence has been previously registered, whether under this Act or any previous companies law, the first-mentioned company, or (ii) on an application by a registered proprietor of a trade mark, is in the opinion of the Central Government identical with, or too nearly resembles, a registered trade mark of such proprietor under the Trade Marks Act, 1993, such company—”; <p>(ii) the following proviso shall be added, namely:—</p> <p>“Provided that no application under clause (ii) made by a registered proprietor of a trade mark after five years of coming to notice of registration of the company shall be considered by the Central Government.”.</p>

STATEMENT OF OBJECTS AND REASONS

The Trade and Merchandise Marks Act, 1958 has served its purpose over the last three decades. It was felt that a comprehensive review of the existing law be made in view of developments in trading and commercial practices, increasing globalisation of trade and industry, the need to encourage investment flows and transfer of technology, need for simplification and harmonization of the trade mark management systems and to give effect to important judicial decisions. To achieve these purposes, the present Bill proposes to incorporate, *inter alia*, the following, namely:—

- (a) providing for registration of trade mark for services, in addition to goods;
- (b) registration of trade marks which are imitation of well known trade marks is not to be permitted, besides enlarging the grounds for refusal of registration mentioned in clauses 9 and 11. Consequently, the provisions for defensive registration of trade marks are proposed to be omitted;
- (c) doing away with the system of maintaining registration of trade marks in Part A and Part B with different legal rights, and to provide only a single register with simplified procedure for registration and with equal rights;
- (d) simplifying the procedure for registration of registered user and enlarging the scope of permitted use;
- (e) providing for registration of trade marks to "Collective Marks" owned by the associations, etc.;
- (f) establishing an Appellate Board for speedy disposal of the appeals and rectification applications which at present lie before High Court;
- (g) transferring the final authority relating to registration of certification trade marks to the Registrar instead of the Central Government;
- (h) providing enhanced punishment for the offences relating to trade marks on par with the present Copyright Act, 1957, to prevent the sale of spurious goods;
- (i) prohibiting use of some one else's trade marks as part of corporate name, or name of business concern;
- (j) incorporating other provisions, like amending the definition of 'trademarks', provisions for filling a single application for registration in more than one class, increasing the period of registration and renewal from 7 to 10 years; making trade mark offences cognizable, enlarging the jurisdiction of courts to bring the law in this respect on par with the copyright law, amplifying the powers of the

court to grant *ex parte* injunction in certain cases and other related amendments to simplify and streamline the trade mark law and procedure.

2. In view of the extensive amendments necessitated in the Trade and Merchandise Marks Act, 1958, it has been thought fit to repeal and re-enact the said Act incorporating the necessary changes.

3. The Bill seeks to achieve the above object. The Notes on clauses explain various provisions of the Bill.

NEW DELHI;

KRISHNA SAHI.

The 1st December, 1992.

Notes on clauses

Clause 1.—This clause provides for appointment of different dates for commencement of different provisions of the Act, because some of the provisions in the Bill, like extending the registration of trade marks to services, and setting up of Appellate Board are new and necessary mechanism will have to be provided and therefore adequate steps will have to be taken for administering these provisions, which may take some time. Necessary proviso is, therefore, proposed to be added to sub-clause (3) for this purpose.

Clause 2.—This clause contains definitions and interpretations. While some new definitions have been added, some of the definitions existing in the Trade and Merchandise Marks Act, 1958 have been made comprehensive and amplified. The new definitions which have been added are "Appellate Board", "Bench", "Chairman", "collective mark", "Member", "notify" and "services". With the proposal for establishment of an Appellate Board for considering appeals against the orders/decisions of the Registrar, the term "Appellate Board" along with related expressions of "Bench", "Chairman" and "Member" have been included in the definition. The provision for registration of "collective marks" is new and suitable definition has been included for the purpose. The expression "services" has been defined, as the Bill envisages registration of trade mark not only for "goods" but also for "services" which will include within its scope service relating to advertising and business, insurance and finance, construction and repair, transport and storage, material treatment, boarding and lodging, education and entertainment.

The existing definition of the expression "certification trade mark" has been modified to include services. The definition of "mark" has been enlarged to include the shape of goods, packaging and combination of colours. The definition of "permitted use" has been amplified to cover use both by the registered user and the licensee, as the latter becomes entitled to use the mark by virtue of the agreement with the registered proprietor. The definition of "trade mark" has also been enlarged to mean a mark capable of being represented graphically and to include shape of goods, their packaging and combination of colours and covers both goods and services. The definition of "Tribunal" has been modified to include "Appellate Board" in place of "High Court". The definition of "registered trade mark" has been modified to mean a trade mark which is actually on the Register and remaining in force. The existing definition of "High Court" is proposed to be deleted consequent to the proposal to constitute Appellate Board in lieu of High Court, for appeals.

A new sub-clause (3) is proposed to be added to clarify that goods and services may be associated with each other, if it is likely that those goods may be sold or otherwise traded in and those services may be provided by the same business. Sub-clause (4) seeks to define the term "the existing registered trade mark" to mean a trade mark registered under the Trade and Merchandise Marks Act, 1958 immediately before the commencement of this Act.

Clause 3.—This clause corresponds to section 4 of the Trade and Merchandise Marks Act, 1958 and provides for appointment of the Registrar and other officers.

Clause 4.—This clause seeks to empower the Registrar to withdraw any matter pending before an officer and deal with such matter himself or transfer the same to another officer for reasons to be recorded therein. This provision broadly corresponds to section 73(4) of the Patents Act, 1970. The purpose of this is to ensure better management of the work in the Trade Marks Registry and in administration of the Act.

Clause 5.—This clause deals with the establishment of the Trade Marks Registry and branch offices and corresponds to section 5 of the Trade and Merchandise Marks Act, 1958. This clause provides that the Trade Marks Registry established under the Trade and Merchandise Marks Act, 1958 shall continue to be the Trade Marks Registry for the purposes of this Act.

Clause 6.—This clause contains provisions regarding maintenance of a single Register of Trade Marks (in lieu of existing Part A and Part B Register) at Head Office wherein particulars of registered trade marks and other prescribed particulars, except notice of trust, shall be recorded. A copy of the Register is to be kept at each branch office. This clause is in line with section 6 of the existing Act.

Clause 7.—This clause provides for classification of goods and services which shall as far as possible conform to the recognised International Classification of goods and services.

Clause 8.—This clause provides for the publication of an alphabetical index of classification of goods and services. This is a new provision.

Clause 9.—Section 9 of the Trade and Merchandise Marks Act, 1958 is proposed to be replaced by a comprehensive new provision consequent to the proposed amendments of—

(a) definition of "trade mark" to mean *inter alia* a mark capable of distinguishing the goods or services of one person from those of others, and

(b) to have only a single Register (with no Part A or Part B).

Sub-clause (1) stipulates what constitutes absolute grounds for refusal of registration. It is proposed to explicitly stipulate that the marks which are devoid of any distinctive character or which consist exclusively of marks or indications which may serve in trade to designate the kind, quality, quantity, intended purpose, etc., or trade marks which consist exclusively of marks or indications which have become customary in the current language or in the *bona fide* and established practice of the trade shall not be registered, unless it is shown that the mark has in fact acquired a distinctive character as a result of use before the date of application. In short, a trade mark which has been demonstrated to be distinctive in the market place shall be regarded as distinctive in law as well and be registrable. This will help in overcoming the difficulties faced by the applicants at present in registration of trade marks, e.g., which are based on geographical names or laudatory epithets, but which have in fact acquired distinctiveness by reason of use.

Sub-clause (2) contains provisions similar to what are at present contained in section 11 of the Trade and Merchandise Marks Act, 1958 but with minor addition of reference to the Emblems and Names (Prevention of Improper Use) Act, 1950 to make the law self-contained.

Sub-clause (3) prohibits registration of a mark, if it consists exclusively of shape of goods which result from the nature of the goods themselves or which is necessary to obtain a technical result or which gives substantial value to the goods.

Clause 10.—This clause corresponds to section 10 of the Trade and Merchandise Marks Act, 1958 with the consequent modification relating to combination of colours.

Clause 11.—With the transfer of some of the provisions contained in existing section 11 of the Trade and Merchandise Marks Act, 1958, to sub-clause (2) of clause 9, clause 11 has been recast to lay down the relative grounds for refusal of registration. Sub-clause (1) has been recast on the lines of sub-section (1) of section 12 of the existing Act making the grounds of refusal more specific and explicit so as to provide that where there exists a likelihood of confusion on the part of the public because of the identity with an earlier trade mark or similarity of goods or services, the trade mark shall not be registered.

It is proposed that the registration of a mark which is merely reproduction or imitation of well-known mark should not be allowed. Accordingly, sub-clause (2) seeks to provide that where the goods or services are not similar and the use of trade mark identical with or similar to an earlier trade mark without due cause would take unfair advantage of or be detrimental to the distinctive character or repute of the earlier trade mark, shall not be registered.

Sub-clause (3) lays down that a trade mark shall not be registered, if or to the extent that, its use will be prevented by law of passing off or under the law of copyright. However, sub-clause (4) permits registration where the proprietor consents to such registration. The *Explanation I* proposed in this section defines the term "earlier trade mark" to mean (a) a registered trade mark or a convention application (clause 155) which has a date of application earlier than the trade mark in question or (b) a trade mark, which on the date of application or on the date of priority claimed is entitled to protection as a well-known trade mark.

It is also proposed in *Explanation II* to clarify that in determining whether a trade mark is well-known, account shall be taken of the knowledge of that trade mark in the relevant section of the public, including knowledge in the country obtained as a result of the promotion of the trade mark in a manner or through a communication media available in India.

Sub-clause (5) lays down that the trade mark shall not be refused registration on the ground specified in sub-clauses (2) and (3) unless objection on that ground is raised in opposition proceedings by the proprietor of the earlier trade mark. This will put the burden of proof in this respect on the opponent opposing the registration on the grounds specified therein.

Clause 12.—This clause provides for registration of same or similar trade mark by more than one proprietor in the case of honest concurrent use or other special circumstances. This clause substantially corresponds to sub-section (3) of section 12 of the existing Trade and Merchandise Marks Act, 1958 with additional provision relating to services.

Clause 13.—This clause corresponds to section 13 of the existing Act with the additional provision that international non-proprietary names declared by World Health Organisation from time to time or deceptively similar names shall not be registered as trade marks.

Clause 14.—This clause, which deals with use of names and representations of living persons or persons recently dead, is identical with the provisions contained in section 14 of the existing Trade and Merchandise Marks Act, 1958.

Clause 15.—This clause provides for registration of parts of trade marks and of trade marks as a series subject to certain conditions enumerated therein. This corresponds to section 15 of the existing Act, except consequential amendments to cover services.

Clause 16.—This clause deals with association of trade marks. Sub-clause (1) is reproduction of sub-section (1) of section 16 of the Trade and Merchandise Marks Act, 1958 except the amendment relating to services. Sub-clause (2) is consequential to the introduction of new provision for association of goods and services proposed in clause 2(3). Sub-clauses (3), (4) and (5) correspond to sub-sections (2), (3) and (4) of section 16 of the Trade and Merchandise Marks Act, 1958.

Clause 17.—This clause which deals with the effect of registration of parts of a mark seeks to omit the provision relating to requirement of disclaimer and to explicitly state the general proposition that the registration of a trade mark confers exclusive right to the use of the trade mark taken as a whole and not separately to each of its constituent parts, if any.

Clause 18.—This clause deals with the procedure for making an application for registration. At present separate applications are required to be made if the applicants desire to register a trade mark in more than one class. Sub-clause (2) has been amended to permit registration in several classes of goods or services by means of a single application. However, the fee payable is to be calculated on the basis of the number of classes in which registration is sought. In other respects, the clause corresponds to existing section 18 of the Trade and Merchandise Marks Act, 1958.

Clause 19.—This clause provides for withdrawal of acceptance of an application before its registration, when the acceptance is in error, etc., after hearing the applicant. This provision is the same as in the corresponding section 19 of the Trade and Merchandise Marks Act, 1958.

Clause 20.—This clause provides for advertisement of an application, either after acceptance or before acceptance, so as to afford the public an opportunity to oppose the registration of the mark. The provision follows section 20 of the Trade and Merchandise Marks Act, 1958.

Clause 21.—This clause deals with the procedure for opposition to registration of a trade mark. This is substantial reproduction of the provisions contained in sections 21 and 22(b) of the Trade and Merchandise Marks Act, 1958. Sub-clause (6) provides for payment of security for costs in the case of persons who do not reside or carry on business in India.

Clause 22.—This clause which corresponds to section 22 of the existing Act, provides for correction of any error in or in connection

with the application or amendment of the application either before or after acceptance of the application.

Clause 23.—This clause makes it mandatory on the Registrar to register the trade mark where the procedure for registration of a trade mark has been completed *viz.* the application has been accepted and either the application has not been opposed or the opposition has been dismissed. The words “unless the Central Government otherwise directs” occurring in the Trade and Merchandise Marks Act, 1958 are proposed to be deleted as any such discretion is not considered necessary when the requirements for registrability of trade marks are clearly set out in the new law. Further, the reference to Part A and Part B has been omitted, which is consequential. In other respects, this clause corresponds to section 23 of the existing Act.

Clause 24.—This clause provides for registration of jointly owned trade marks where the mark is used or proposed to be used in relation to goods or services connected with all the joint applicants. This clause reproduces the provisions contained in section 24 of the existing Act and is also extended to services, which is consequential.

Clause 25.—The duration of registration is proposed to be increased from 7 to 10 years. This is in keeping with the generally accepted international practice and to reduce the workload of the Trade Marks Office. Sub-clause (2) provides for renewal of registration. Sub-clause (3) provides for removal and restoration of registration. Consequent to the provision proposed in sub-clause (1) of clause 25, renewal of registration is permissible for successive periods of 10 years from the date of the original registration or the last renewal.

To facilitate renewal or registration, sub-clause (4) provides for a grace period of six months for payment of renewal fee after expiry of registration, subject to payment of the prescribed surcharge. Sub-clause (5) provides for restoration of the trade mark to the register within one year in case it is not renewed even within the grace period of six months and the mark is removed. In other respect, the provision retains the provisions contained in section 25 of the existing Act.

Clause 26.—This clause states that where a trade mark has been removed from the register for failure to pay the renewal fee, it shall nevertheless, for the purpose of any application for the registration of another trade mark during one year next after the date of the removal, be deemed to be a trade mark already on the register. This corresponds in entirely to the provision contained in section 26 of the existing Act.

Clause 27.—This clause provides that no infringement action will lie in respect of an unregistered trade mark, but recognises the common law rights of the trade mark owner to take action against any person for passing off goods as the goods of another person or as services provided by another person or the remedies thereof. The clause thus retains the existing provision of section 27 in this respect, with the addition of services.

Clause 28.—This clause deals with the exclusive rights conferred by registration. The corresponds to the existing section 28 of the Trade and Merchandise Marks Act, 1958. This right has now been extended to include services also.

Clause 29.—This clause deals with infringement of trade marks and explicitly states as to the various acts which constitute infringement. Sub-clause (1) states the general proposition of the law in this respect and lays down that when a registered trade mark is used by a person who is not entitled to use such a trade mark under the law, it constitutes infringement. In pursuance of the relative grounds for refusal of registration specified in clause 11, the scope of this clause has been enlarged to explicitly state that a registered trade mark is infringed, if—

- (a) the mark is identical and is used in respect of similar goods; or
- (b) the mark is similar to the registered trade mark and there is an identity or similarity of the goods or services covered by the trade mark; or
- (c) the trade mark is identical and is used in relation to identical goods or services;

and that such use is likely to cause confusion on the part of the public or is likely to be taken to have an association with the registered trade mark.

This clause further lays down that in cases falling in category (c) above, there will be a legal presumption of likelihood of confusion on the part of the public.

Sub-clause (4) seeks to lay down that a registered trade mark is infringed by a person, if he uses a mark which is identical or similar to the trade mark, but on goods or services which are not similar, provided the registered trade mark has a reputation in India and the use of the mark without due cause would take unfair advantage of or is detrimental to the distinctive character or repute of the registered trade mark.

Sub-clause (5) seeks to prevent a person from adopting someone else's trade mark as part of that person's trade name or business name by explicitly providing that such action shall also constitute an infringement under this Act. This provision will bring this clause in harmony with the proposed amendment to sections 20 and 22 of the Companies Act, 1956.

Sub-clause (6) lays down the circumstances when a person is considered to use a registered trade mark for the purpose of this clause. It includes *inter alia* affixing the mark to goods or packaging, offering or exposing the goods for sale or supply of services, importing or exporting the goods, the use of the mark as trade name or trade mark on business paper or in advertising.

Sub-clause (7) provides that where a person applies a registered trade mark under certain circumstances knowing that application of such mark was not authorised by the proprietor or licensee would be an infringing act of a registered mark.

Sub-clause (8) stipulates the circumstances when an advertising of a registered trade mark would constitute infringement. Advertising of a trade mark to take unfair advantage of, or against the honest commercial practices or which is detrimental to the distinctive character or which is against the reputation of the trade mark shall constitute an infringement.

Sub-clause (9) stipulates that where the distinctive element of a registered trade mark consists of words, the spoken use of such words as

well as visual representation for promoting the sale of goods or promotion of service would constitute infringement.

Clause 30.—Clause 30 specifically excludes certain acts as not constituting infringement and broadly corresponds to section 30 of the existing Act. The law is proposed to be amplified by explicitly stating that there will be no infringement, if the use of a mark is in accordance with honest practices in industrial or commercial matters and is not such as to take unfair advantage of or be detrimental to the distinctive character or repute of a trade mark.

There is no infringement in the following cases:—

(1) Where the use is in relation to goods or services to indicate the kind, quality, quantity, etc., of the goods or of rendering of services.

(2) Use of the trade mark in a manner outside the scope of registration where a trade mark is registered subject to conditions or limitations.

(3) Where a person uses the mark in relation to goods or services for which the registered owner had once applied the mark, and had not subsequently removed it or impliedly consented to its use.

(4) A trade mark registered for any goods may be used in relation to parts and accessories to other goods, or services and such use is reasonably necessary and its effect is not likely to deceive as to the origin.

(5) The use of a registered trade mark being one of two or more registered trade marks which are identical or similar, in exercise of the right to the use of that registered trade mark.

Sub-clauses (3) and (4) recognise the principle of "exhaustion of rights" by preventing the trade mark owner from prohibiting on ground of trade mark rights, the marketing of goods in any geographical area, once the goods under the registered trade mark are lawfully acquired by a person. However, when the conditions of goods are changed or impaired after they have been put on the market, the provision will not apply.

Clause 31.—This clause states that registration including subsequent assignment and transmission, is *prima facie* evidence of validity. This corresponds to section 31 of the existing Act.

Clause 32.—With the proposed merger of Part A and Part B of the register into a single register, the existing provision in section 32 for presumption of conclusive validity of a trade mark in Part A of the register has become unnecessary. This section is, therefore, proposed to be replaced by the provision as in clause 32 of the Bill, by providing that where the validity of a trade mark is contested on the ground of distinctiveness, the court may take into consideration the distinctiveness acquired through use after registration for determining the validity of registration.

Clause 33.—This clause is new and contains provisions as to the effect of acquiescence. The proprietor of the earlier trade mark or other earlier right cannot contest the validity of registration of a subsequent trade mark, if he has acquiesced in the use of the subsequent trade mark for a continuous period of five years, unless he can prove that the registration

of the subsequent trade mark was not obtained in good faith. Sub-clause (2) states that where sub-clause (1) applies, the proprietor of the later mark also is not entitled to oppose the use of the earlier trade mark.

Clause 34.—This clause provides for protecting the vested rights, so that the proprietor of registered trade mark or a registered user cannot interfere with the use of any identical or similar mark if the person has been using the mark from an earlier date. This clause corresponds to section 33 of the existing Act. This clause also covers services now.

Clause 35.—This clause corresponds to section 34 of the existing Act and provides that the registered proprietor or the registered user cannot interfere with any *bona fide* use by a person of his own name, or his predecessor in business, his place of business or *bona fide* description of the character or quality of the goods or services.

Clause 36.—This clause corresponds to section 35 of the existing Act. The purpose of this clause is to prevent a person from asserting any exclusive right, by virtue of trade mark or patent, over a word which has come to be associated as the name or description of an article. If there is a well-known and established use of the word in a descriptive sense, and that is the only practicable name or description of an article, the validity of registration of such word as trade mark can be challenged. The provisions of this clause extend to services.

Clause 37.—This clause recognises the right of registered proprietor to assign the trade mark for any consideration and give receipts. This corresponds to section 36 of the Trade and Merchandise Marks Act, 1958.

Clause 38.—This clause deals with the assignability and transmissibility of a registered trade mark whether with or without goodwill of the business either in respect of all goods or services or part thereof. This corresponds to section 37 of the existing Act. The only change which is consequential is in relation to the provision for registration of trade mark for services.

Clause 39.—Sub-clause (1) provides that any unregistered trade mark shall be assignable or transmissible only along with the goodwill of the business. However, sub-clause (2) provides exception to this rule if—

- (a) such unregistered trade mark is used in the same business as a registered trade mark; and
- (b) the registered trade mark is assigned at the same time and to the same person, as the unregistered trade mark; and
- (c) the unregistered trade mark relates to goods or services in respect of which the registered trade mark is assigned.

This clause corresponds to section 38 of the existing Act with necessary changes regarding services.

Clause 40.—This clause contains restriction on assignments or transmissions of trade mark where multiple exclusive rights would be created in more than one person, which would be likely to deceive or cause confusion. Nevertheless, such assignment is not deemed to be invalid, if having regard to the limitations imposed, the goods are to be sold in different markets—either within India or for exports. The provisions

also apply to services. Sub-clause (2) lays down the procedure for obtaining a certificate for the purposes of assignment envisaged in sub-clause (1) and empowers the Registrar to issue certificate for the purpose as to whether or not the proposed assignment is valid. Unless obtained by fraud, the certificate as to validity shall be conclusive.

Clause 41.—Clauses 38 and 39 lay down the provisions regarding assignability and transmissibility of registered trade mark or unregistered trade mark along with the goodwill of business subject to provisions contained therein. Subject to these provisions this clause lays down the restriction on assignment or transmission so as to prevent splitting of rights of a trade mark on a territorial basis and creating rights on different persons in different parts of India. However, the Registrar has been conferred the power to approve such assignment or transmission if he is satisfied that it would not be contrary to public interest. This clause is the same as section 40 of the existing Act with necessary amendment only regarding services.

Clause 42.—This clause seeks to stipulate conditions for assignment of a trade mark without goodwill of business. Such an assignment will not take effect unless the assignor obtains directions of the Registrar and advertises the assignment as per the Registrar's directions and as per the procedure to be prescribed. The purpose of advertisement is to give notice of the assignment without goodwill of the business to the public. This clause explicitly states that the assignment of a trade mark in respect of only some of the goods or services with the goodwill of the business pertaining to those goods or services, or the assignment of a trade mark which is to be used only in relation to goods or services for export together with the goodwill of the export business only is not to be deemed as an assignment without goodwill of the whole of the business and in such cases, it would not be mandatory to obtain directions of the Registrar. This clause follows the existing provision in section 41 of the Trade and Merchandise Marks Act, 1958, with consequential changes relating to services.

Clause 43.—This clause deals with the assignability and transmissibility of certification trade marks. Assignment of certification trade mark can only be done with the consent of the Registrar. Consequent to the proposal to vest the final authority for disposal of applications for certification trade marks on the Registrar, this clause seeks to make necessary change in the law by the substitution of the word "Registrar" for the words "Central Government".

Clause 44.—This clause requires that associated trade marks shall be assignable and transmissible only as a whole but they will be treated as separate trade marks for all other purposes. It corresponds to the provision contained in section 43 of the existing Act.

Clause 45.—This clause deals with the procedure for registration of assignment and transmission and broadly follows the provisions contained in section 44 of the existing Act. Where the validity of an assignment is in dispute between the parties, the Registrar may refuse to register such transaction unless the rights of parties are determined by the competent court.

Sub-clause (2) lays down that any instruments or documents on the basis of which no entry has been made under sub-section (1), is not admissible in evidence before the Registrar or any court.

Clause 46.—Section 18 of the existing Act provides that an application for registration of a trade mark may be made only by a person who is using or

proposing to use the trade mark himself. Clause 46 contains two exceptions providing for registration of a trade mark—(1) by a person who proposes to assign the trade mark to a company to be formed and registered under the Companies Act, 1956 and (2) by a person who proposes to use the trade mark by a registered user as and when the mark is registered. The latter provision seeks to give effect to Supreme Court decision in "DRISTAN" case. This clause further provides that where the said trade mark is not assigned to the company mentioned in clause (1) above, the registration of such a trade mark shall cease to have effect after expiration of the prescribed period.

Clause 47.—This clause corresponds to section 46 of the existing Act and provides for removal of a trade mark from the register on the ground of non-use. A trade mark which is not used within five years of its registration, becomes liable for removal either completely or in respect of those goods or services for which the mark has not been used. Under section 46(1), it is proposed to clarify that the five years period will start from the date on which the trade mark is actually entered on the register. This amendment is intended to remove any ambiguity, as for all other purposes, the date of registration will be the date on which the application was filed *vide* clause 23(2). Proviso to sub-clause (1) also provides that the Tribunal may refuse removal of the mark if it is shown that any proprietor had in fact made *bona fide* use of the trade mark for goods or services of the same description or associated goods or services.

It is also proposed to increase the period from 1 to 3 months in clause 47(1) (a) and (b) in which use of the trade mark, prior to the date of filing of the application for removal of the trade mark, shall be disregarded.

This is intended to prevent the registered proprietor to bypass the Act by such token use after he comes to know that an application for removal is about to be filed. Sub-clause (3), protects a mark from being removed from the register on ground of non-use if such non-use is shown to have been due to special circumstances in the trade. The clause is proposed to be modified to clarify that special circumstances in the trade will include restrictions imposed by any law or regulation on the use of trade mark in India. Consequential amendments have been made to cover services.

Clause 48.—This clause corresponds to section 48 of the existing Act and deals with registration of registered users. It is proposed to simplify the law relating to registered user by effecting necessary changes in the various provisions. In clause 48, it is proposed to delete the reference to "trafficking in trade marks" occurring in existing section 48 as the concept of trafficking in a trade mark, namely, dealing in trade mark as a commodity by itself is more imaginary than real. As a trade mark representing the goodwill of the owner's business, is an invaluable asset of industrial property, the proprietor himself would exercise due control over the manner in which the trade mark should be used by the permitted user, to protect his own reputation. Indeed, sub-clause (2) provides that the use of the mark by the registered user enures to the benefit of the proprietor and not to the user.

Clause 49.—This clause provides for registration as registered user and largely corresponds to the existing sections 49 and 52. The clause sets out the procedure for making application and such registration, on completion of which the Registrar may register the proposed user for the goods or services

for which he is satisfied. Licensing of trade mark is recognised universally as an important industrial property right and as such the procedure for registration of registered user is proposed to be made simple to encourage such registration. Consequently, the consideration for the registration of registered user of a trade mark is not proposed to be extended to aspects which may affect the registration and better protection of trade marks. It is, proposed, therefore, to delete sub-sections (2) and (3) of section 49 of the existing Trade and Merchandise Marks Act, 1958.

Clause 50.—This clause deals with the power of the Registrar to vary or cancel registration as registered user. Registration of registered user may be varied or cancelled *inter alia* on the ground that the registered user has used the trade mark not in accordance with the agreement or the proprietor/user has failed to disclose any material facts for such registration or that the stipulation in the agreement regarding the quality of goods is not enforced or that the circumstances have changed since the date of registration, etc. Notice and opportunity of hearing is provided before cancellation of registration.

Clause 51.—With the simplification of the procedure for registration of registered user, it is necessary to keep the Register of Trade Marks up to date. Accordingly, to ascertain whether the registered user agreement is in force, the Registrar is proposed to be empowered to require the proprietor to confirm, at any time whether the agreement, on the basis of which registered user was registered is still in force, and if such confirmation is not received within the prescribed time of three months the Registrar shall remove the entry thereof from the Register in the prescribed manner.

Clause 52.—recognises the right of registered user to take proceedings against infringement and broadly corresponds to section 51 of the existing Act. It is also clarified that the proprietor of registered trade mark will not be liable for any costs unless he enters appearance and takes part in the proceedings.

Clause 53.—This clause is new and seeks to explicitly provide that a person referred to in section 2(1) (p) (ii) being an unregistered permitted user shall have no right to institute proceeding for any infringement. This provision will encourage licensee of a registered trade mark to register his title as registered user as soon as possible.

Clause 54.—reproduces in terms of section 53 of the existing Act and enacts that a registered user will not have a right of assignment or transmission. It is clarified that where an individual registered user enters into partnership or remaining in a reconstituted firm, the use of the mark by the firm would not amount to assignment or transmission.

Clause 55.—provides that use of one of associated or substantially identical trade marks is equivalent to use of another is a reproduction of the existing section 54 of the Trade and Merchandise Marks Act, 1958. Similarly, the use of the whole of a registered mark will be deemed to be use of a part of the mark, for all purposes, other than for securing registration of such part of the mark. Sub-clause (3) contains explicit provision accordingly.

Clause 56.—This clause deals with the use of a trade mark for export trade and use when form of trade connection changes. Use of trade mark on goods for export from India constitutes use of the trade mark in India under sub-clause (1). Sub-clause (2) recognises the principle that a mere change in the form of connection in the course of trade between the proprietor of the trade mark and the goods shall not be deemed to be likely to cause deception and confusion. This corresponds to section 55 of the Trade and Merchandise Marks Act, 1958, and the amendments are mainly to cover "services".

Clause 57.—Sub-clauses (1) and (2) enable a person aggrieved to apply to the Appellate Board or the Registrar for cancelling or varying the registration of trade marks, *inter alia*, on the ground of contravention or failure to observe any conditions entered on the Register or absence or omission of any entry from the Register or entry wrongly remaining or without sufficient cause. Sub-clause (3) empowers the tribunal to decide any question as may be necessary in connection with the rectification. Sub-clause (4) empowers the tribunal to rectify the register on the grounds specified above on its own motion after giving an opportunity of being heard to the parties concerned. Sub-section (5) enables Registrar to rectify the register pursuant to an order of the Board to rectify the register.

Clause 58.—Sub-clause (1) empowers the Registrar to correct the Register in respect of the errors relating to the particulars of the registered proprietor or entries relating to the registered trade mark and also to make consequential amendments and alterations in the certificate of registration. Sub-clause (2) empowers the Registrar to rectify the register to correct any error or change of name, etc., on an application by the registered user after giving notice to the registered proprietor.

Clause 59.—Sub-clause (1) empowers the Registrar to alter registered trade mark which does not substantially affect the identity of the trade mark subject to such limitations as he may think fit. Sub-clauses (2) and (3) contain provisions for advertisement of the proposed alteration mentioned in sub-clause (1) above and to enable any person to oppose such alterations. Sub-clause (3) makes it mandatory for advertisement of altered trade mark in the prescribed manner. This corresponds to section 58 of the existing Act.

Clause 60.—This clause corresponds to the existing section 59 of the Trade and Merchandise Marks Act, 1958 which deals with adaptation of entries in the Register to amended or substituted classification of goods or services. This is only an enabling provision.

Clauses 61 to 69.—These clauses contain provisions relating to the registration of collective marks which are new. These provisions provide for registration of a collective mark which belongs to a group or association of persons and the use thereof is reserved for members of the group or associations of persons. Collective marks serve to distinguish characteristic features of the products or services offered by those enterprises. It may be owned by an association which may not use the collective mark but whose members may use the same. The association ensures compliance of certain quality standards by its members, who may use the collective mark if they comply with the requirements prescribed

concerning its use. The primary function of a collective mark is to indicate a trade connection with the proprietor Association or Organisation.

Clauses 70 to 79.—Deal with registration of certification trade mark. The purpose of certification trade mark is to show that the goods on which the mark is used have been certified by some competent person in respect of certain characteristics of the goods such as origin, mode of manufacture, quality, etc. The proprietor of a certification trade mark does not himself deal in the goods. A certification trade mark may be used in addition to the user's own trade mark on his goods. At present section 63 of the existing Act requires the Central Government to consider an application for registration of certification trade mark. In order to simplify the procedure and since the law already provides necessary safeguards, it is proposed to vest final authority for registration of certification trade mark on the Registrar and accordingly suitable amendments have been made in different provisions contained in clauses 70 to 79. These clauses are largely based on sections 60 to 69 of the existing Act.

Clauses 80 to 83.—These clauses reproduce sections 71, 72, 74 and 75 of the existing Act containing special provisions in respect of trade marks used for textile goods. Section 73 of existing Act pertaining to Refused Textile Marks List which was maintained under the Trade Marks Act, 1940, has been deleted as being no longer necessary.

Clause 84.—This clause provides for the constitution of an Appellate Board to hear appeals against the decisions of the Registrar.

Clause 85.—This clause deals with the composition of the Appellate Board. The Board will consist of a Chairman and such number of members, not exceeding five. The places where the Board may sit will be notified by the Central Government.

Clause 86.—This clause deals with the requisite qualifications for appointment as Chairman and Members of the Board.

Clause 87.—This clause deals with the term of office as Chairman and Members of the Board and their conditions of service.

Clause 88.—This clause sets out the circumstances where the senior most member will act as Chairman and discharge his functions.

Clause 89.—This clause enables Central Government to prescribe the salaries and allowances of the Chairman and Members and other terms and conditions of their service viz. pension, gratuity and retirement benefits, etc.

Clause 90.—This clause makes provisions for the resignation of the Chairman or any Member of the Board and various grounds for their removal from the office.

Clause 91.—This clause provides for appointment and functioning of the staff of the Appellate Board, terms and conditions of service and the administrative powers of the Chairman over them.

Clause 92.—This clause makes provisions for appeals to the Board from the decisions of the Registrar and the period within which they are to be preferred.

Clause 93.—This clause empowers the Board to regulate its own procedure. The Appellate Board will have the powers of a Civil Court trying a suit under the Code of Civil Procedure, 1908 in respect of the matters set out in the clause. To facilitate speedy disposal of cases, the clause lays down that the Board shall not be bound by the procedure laid down in the Code of Civil Procedure, 1908 but be guided by the principles of natural justice.

Clause 94.—This clause bars any court or other authority from exercising jurisdiction, powers or authority in relation to the appeals.

Clause 95.—This clause prohibits the Chairman or other Members of the Board from appearing before the Appellate Board or the Registrar after they cease to hold office.

Clause 96.—This clause provides that no interim order shall be made in any proceeding relating to an application unless copies of the appeal are furnished to the party against whom the appeal is made and an opportunity of hearing is given before adverse order is passed.

Clause 97.—This clause seeks to empower the Chairman to transfer any cases pending before one bench for disposal to any other bench either on his own motion or on the application made by any of the parties. The purpose of this is to secure proper management of the work.

Clause 98.—This clause deals with procedure for application for rectification made to the Appellate Board. This is in line with section 108 of the Trade and Merchandise Marks Act, 1958. Only the reference to High Court is replaced by Appellate Board. This also provides that certified copy of the order or judgment of the Board will be communicated to the Registrar for taking appropriate action, including amending entries in the register accordingly.

Clause 99.—This clause empowers the Registrar to appear before the Board in certain circumstances or in lieu of appearance, to file the statement in writing which shall constitute evidence in the proceeding.

Clause 100.—In all proceedings before Appellate Board the Registrar will not be ordered to pay the costs to any party, but the costs of the Registrar shall be in discretion of the Board.

Clause 101.—This clause provides for transfer of all cases of appeals and rectification proceedings pending before any High Court to Appellate Board from such date as may be notified in the Official Gazette.

Clause 102.—This clause provides that a person shall be deemed to apply a trade mark or trade description to goods or services in certain circumstances. It includes the manner of 'use' envisaged in the definition of use of a mark, including where a trade mark or trade description is woven in, impressed on, annexed or affixed to the goods or any package, etc. This clause corresponds to section 76 of the existing Act.

Clause 103.—A person is deemed to falsify a mark who without the authority of the proprietor makes the trade mark or deceptively similar

mark or falsifies any genuine trade mark in any manner. Sub-clause (2) provides that a person is deemed to falsely apply to goods such trade mark without the assent of the proprietor on goods or services or any package containing goods, etc. It is also made clear that the burden of proving assent of the proprietor will be on the accused. This provision corresponds to section 77 of the existing Act.

Clause 104.—This clause provides penalty for applying false trade mark, trade description, etc. This clause corresponds to section 78 of the existing Act but removes the distinction between offences in relation to 'drugs' or 'food' on the one hand and other categories of goods on the other and seeks to enhance the punishment uniformly irrespective of the nature of the goods. As in many cases, a trade mark label is registered separately as a trade mark under the Trade and Merchandise Marks Act, 1958 and as copyright under the Copyright Act, the penal provisions are sought to be harmonised between the two laws. Accordingly, in clause 104, it is proposed that penalty for applying false trade mark or false trade description, etc., as enumerated in clause 104 is to be punishable with imprisonment for a term which shall not be less than six months but which may extend to three years and with fine which shall not be less than fifty thousand rupees but which may extend to two lakh rupees. However, a provision has been made empowering the court, for adequate and special reasons to be mentioned in the judgment, to impose a sentence lower than the normal punishment specified in this clause.

Clause 105.—This clause prescribes penalty for selling goods or providing services to which false trade mark or false trade description is applied. The penalty proposed is the same as sought to be provided for an offence in clause 104. In this clause, the court is also empowered to award a lower sentence of penalty for adequate and special reasons to be mentioned in the judgment.

Clause 106.—This clause which prescribes enhanced penalty on second and subsequent convictions for offences committed in clauses 104 and 105 is new and is in accordance with similar provision under the Copyright Act. It is provided that whoever has already been convicted is again convicted shall be punishable for the second and for every subsequent offence with imprisonment which shall not be less than one year but which may extend to three years and with fine which shall not be less than one lakh rupees but which may extend to two lakh rupees. The court is, however, empowered to impose a sentence of imprisonment for a term less than one year and a fine of less than one lakh rupees for adequate and special reasons to be mentioned in the judgment. This clause makes it clear that for the purpose of this clause no cognizance of any conviction made before the commencement of this Act shall be taken.

Clause 107.—This clause provides penalty for removing piece goods, etc., contrary to clause 82. It provides that if any person removes or attempts to remove for sale, these goods or cotton yarn or cotton threads which are not marked in accordance with the provisions of the Act, all such goods will be forfeited to the Government and the person shall be punishable with fine.

Clause 108.—This clause which corresponds to section 81 of the existing Act makes false representation of a trade mark as registered as an offence.

The amendment also seeks to clarify that use of symbols like "R" in circle in relation to unregistered trade mark would constitute an offence. The punishment for the offence is imprisonment for a term which may extend to three years or with fine or with both. It is also clarified that where the mark in question is registered under the law of the country outside India, the use of the word or other expression to denote such registration in foreign country is permissible.

Clause 109.—The use of any words which would lead to the belief that a person's place of business is officially connected with the Trade Mark Office is made a punishable offence with imprisonment for a term which may extend to two years or fine or with both. This clause corresponds to section 82 of the existing Act.

Clause 110.—This clause contains provisions for penalty for falsification of entries in the register. The offence is punishable with imprisonment extending to two years or with fine or with both. This clause corresponds to section 83 of the existing Act.

Clause 111.—This clause specifically provides that where an act or omission shall not be deemed to be an offence under sections 103, 104, 105 and 106, if the alleged offence relates to a registered or unregistered mark, the act or omission is permitted by this Act or under any other law. It is in the nature of defence available to an accused. This clause corresponds to section 84 of the existing Act.

Clause 112.—This clause which corresponds to section 85 of the existing Act empowers the court to direct the forfeiture to Government of all the goods relating to which an offence has been committed. The court may either order the forfeited goods to be destroyed or otherwise disposed of. Where an appeal against conviction lies, the appeal will also lie against the forfeiture.

Clause 113.—This clause corresponds to section 86 of the existing Act and contains provision for exemption of certain persons employed in the ordinary course of business from liability. If the person accused of an offence proves *inter alia* that he had at the time of commission of the alleged offence no reason to suspect the genuineness of the trade mark or trade description and that in the ordinary course of business he is employed on behalf of the other persons to apply trade mark or trade description including dyes, blocks, machines, etc., he shall not be liable.

Clause 114.—This clause prescribes the procedure where invalidity of registration is pleaded by the accused, and makes provision for stay of proceedings in certain circumstances. If the court is satisfied with the defence of invalidity of the registration, it may adjourn the proceedings for three months to enable an application for rectification of the register to be filed before the Appellate Board. If the accused proves that he has made such application, further proceedings shall stand stayed till the disposal of rectification application. On the other hand, if within the period allowed by the court, the accused fails to apply for rectification before the Appellate Board, the court is bound to proceed with the case as if registration is valid.

Sub-clause (2) provides that where any application for rectification is pending before the institution of the criminal proceedings, the court

shall stay the proceedings in the prosecution pending the outcome of the rectification application and determine the charge in conformity thereto to the extent that the complainant relies on the registration of this mark. This clause corresponds to section 87 of the present Act.

Clause 115.—This clause contains provision for offences by companies and corresponds to section 88 of the existing Act. This provision seeks to provide that where a person committing offence is a company, every person responsible in the company for the conduct of its business will be liable. Where a person accused proves that the offence was committed without his knowledge he will not be liable. However, where it is proved that an offence has been committed with the consent or connivance or is attributable to the neglect of any Director, Manager, Secretary or other officer of the company, he shall be deemed to be guilty of the offence.

Clause 116.—Sub-clause (1) provides that a court shall take cognizance of an offence under clauses 108, 109 or 110 only on complaint by the Registrar or any officer authorised by him. Proviso to this clause enables the Court to take cognizance of an offence under clause 108 (1) (c) on the basis of Registrar's certificate. Sub-clause (2) enacts that no court inferior to that of a Judicial Magistrate of the first class shall try the offence under this Act. Sub-clause (3) declares that offence under section 104, 105 or 106 shall be cognizable. Sub-clause (4) which corresponds to section 64 of the Copyright Act seeks to confer powers on a police officer not below the rank of Sub-Inspector to search and seize goods or other instruments involved in committing offence wherever found. It is made incumbent on the police officer to obtain the opinion of the Registrar on facts involved in the offence relating to the trade mark. Sub-clause (5) enables a person having an interest in any article seized to file an application to the court for restoration of such seized articles to him.

Clause 117.—Where the goods are brought into India by sea, evidence of port of shipment will be *prima facie* evidence of the country of origin in any prosecution for an offence under the Act or the Customs Act, 1962. This corresponds to section 90 of the existing Act.

Clause 118.—This clause empowers the court to order payment of reasonable costs by the accused to the complainant or by the complainant to the accused. This is in line with section 91 of the present Act.

Clause 119.—This clause seeks to enact a period of limitation for commencement of prosecution for an offence under the Act, *viz.*, before expiration of three years from the date of offence or two years after discovery thereof by the prosecutor whichever happens first. This corresponds to section 92 of the Act of 1958.

Clause 120.—This clause corresponds to section 93 of the existing Act and it provides that an officer of the Government who is required to enforce the provisions of this Chapter should not be compelled to say as to when and where he got any information in respect of the alleged offence.

Clause 121.—This clause provides that any person in India abetting the commission of any offence which, if committed in India would be an

offence shall be tried for such abetment and shall be punished. This corresponds to section 94 of the existing Act.

Clause 122.—This clause enables the Central Government to issue notification as to the permissible limits of variation as regards number, quantity, measure, gauge or weight for guidance of criminal court. This corresponds to section 95 of the existing Act.

Clause 123.—This clause seeks to protect any thing done or intended to be done by any person in pursuance of this Act in good faith.

Clause 124.—This clause states that all persons appointed under this Act and every member of the Board are public servants.

Clause 125.—This clause deals with circumstances in which stay of infringement proceedings can be ordered and also states that a stay of a suit for infringement of a trade mark shall not preclude the court from making an interlocutory order during the period of stay. This clause is in line with section 111 of the existing Act.

Clause 126.—This clause provides that in certain cases, the application for rectification of Register should be made to the Appellate Board. Where in a suit for infringement of a registered trade mark, the validity of the registered trade mark is questioned, the validity of the mark is determined only on an application for the rectification of the registered trade mark made to the Appellate Board. This corresponds to section 107 of the Trade and Merchandise Marks Act, 1958. The reference to High Court is replaced by Appellate Board.

Clause 127.—This clause corresponds to section 96 of the existing Act of 1958. It provides that on goods for sale if a trade mark or trade description is given or applied, there is implied warranty that the mark is a genuine mark.

Clause 128.—This clause seeks to empower the Registrar with powers of a civil court, including award of reasonable costs, subject to rules to be made in this behalf, except that he will have no power to award costs to any party on an appeal over the refusal of the proprietor of a certification trade mark to certify the goods. This is in conformity with the provisions of section 97 of the existing Act.

Clause 129.—This clause provides that the Registrar has to give an opportunity of being heard to the person/persons before exercising his discretionary powers adverse to him. This corresponds to section 98 of the existing Act of 1958.

Clause 130.—This clause says that evidence before the Registrar should be normally in the form of affidavit only and in addition or in lieu thereof the Registrar may take oral evidence. This is in line with section 99 of the Trade and Merchandise Marks Act, 1958.

Clause 131.—This clause provides that in case of death of a party to a proceeding during the course of the proceeding, the Registrar, on proof to his satisfaction may allow substitution of his successor or may allow the proceeding to continue with the surviving parties. This is in conformity with the provisions of section 100 of the existing Act of 1958.

Clause 132.—This clause empowers the Registrar to extend the time for doing any act, not being a time expressly provided in the Act. This reproduces section 101 of the existing Act of 1958.

Clause 133.—If the Registrar is of the opinion that the applicant has defaulted in the prosecution of his application, he may by a notice require him to remedy the default after giving him an opportunity to be heard. He may treat the application as abandoned unless the default is remedied within the time specified by him. This corresponds to section 102 of the existing Act.

Clause 134.—This clause states that any person proposing to apply for registration of a trade mark may request the Registrar to obtain preliminary advice as to the distinctiveness of the trade mark. This corresponds to section 103 of the Trade and Merchandise Marks Act, 1958.

Clause 135.—This clause stipulates the forum for institution of infringement proceedings, etc., to be the District Court. It is proposed that the term 'District Court having jurisdiction' would include a District Court within the local limits of whose jurisdiction, the person, or one of the persons, instituting the suit or other proceedings, actually or voluntarily resides or carries on business or personally works for gain. This amendment would bring the trade marks law in line with the provisions contained in the Copyright Act, 1957 as very often a trade mark is also registered as an artistic work under the Copyright Act.

Clause 136.—This corresponds to section 106 of the Trade and Merchandise Marks Act, 1958 and deals with reliefs which may be granted by courts in suits for infringement. It is proposed to provide expressly that the court may grant an *ex parte* injunction and in particular, orders intended to preserve evidence or documents relating to the subject matter of the suit so that the defendant is restrained from dealing with assets in a manner which would affect the plaintiff's ability to recover damages or other pecuniary remedies after final orders. This will deter infringement activities.

Clause 137.—This clause provides that in every proceeding the registered user shall be made party to the same. This is in conformity with section 114 of the existing Act.

Clause 138.—This clause states that certificate issued by the Registrar shall be *prima facie* evidence in all proceedings without further proof or production of the original. This is in line with section 115 of the existing Act.

Clause 139.—This clause states that Registrar and other officers shall not be compelled to produce the register and other documents if the contents can be proved by the production of a certified copy. They shall not be compelled to appear as witnesses to prove the matters therein unless for special cause it is ordered by the court. This is in line with section 116 of the existing Act.

Clause 140.—This clause includes provisions that the Central Government may require that goods of any class which are made outside India and imported into India or goods made and produced in India shall have applied to them an indication of the country or place in which they were made or produced or the name and address of the manufacturer or the person for whom the goods were manufactured.

Clause 141.—This clause states that the proprietor or a licensee of a registered trade mark may give notice in writing to the Collector of Customs

to prohibit the importation of the goods if the import of such goods constitute infringement. The Collector may require the importer to produce the documents in his possession and furnish information as to the name and address of the person for whom the goods were consigned to India. This is done for preventing importation of goods bearing false trade mark. This is in line with section 118 of the existing Act.

Clause 142.—This clause states that where in any legal proceeding for rectification of register a decision is given in favour of the registered proprietor the Appellate Board may grant a certificate of validity. This corresponds to section 119 of the existing Act with the exception that in place of High Court mentioned therein the Appellate Board is the authority to grant the said certificate.

Clause 143.—This clause seeks to protect the persons against groundless threats of infringement, by giving him an opportunity to bring a suit against the person making such threats and obtain a declaration that the threats are unjustifiable and an injunction against the continuance of the threats and recovery of damages. This is in line with section 120 of the existing Act.

Clause 144.—This clause deals with address for service given by the applicant or opponent by stating that this address shall be deemed to be the address of the applicant or opponent and all correspondence shall be sent to them to that address only. This is in line with section 121 of the Trade and Merchandise Marks Act, 1958.

Clause 145.—This clause states that in any suit or other proceeding evidence of the trade usage and relevant trade mark will be admitted. This corresponds to section 122 of the Trade and Merchandise Marks Act, 1958.

Clause 146.—This clause deals with agents and provide that if any act is required to be done before the Registrar by any person, this may be done by him or by a legal practitioner, a trade marks agent or by his employee if he is duly authorised by him. This is in line with section 123 of the Trade and Merchandise Marks Act, 1958.

Clause 147.—This clause seeks to protect the rights of the proprietor of a trade mark. If his agent or representative attempts to register or registers the mark in his own name, without authority, the proprietor is entitled to oppose the application or to apply for rectification so as to bring him as the registered proprietor. The time within which such action has to be taken is three years from the date he is aware of the conduct of the agent.

Clause 148.—This clause provides for keeping different indexes at the trade marks registry, viz., indexes of registered and pending trade marks registered proprietor's index and index of registered users. This is in line with section 124 of the existing Act.

Clause 149.—This clause provides for the inspection of documents by the public. Any member of the public may inspect these documents on payment of the fee to be prescribed and also obtain certified copy of the entry from the Register. This is in line with section 125 of the existing Act.

Clause 150.—This clause provides for placement before the Parliament by the Registrar annual reports on the execution of this Act. This is in line with section 126 of the existing Act.

Clause 151.—This clause provides for prescribing fees for various acts to be done under this Act. This corresponds to section 127 of the existing Act.

Clause 152.—This clause corresponds to section 128 of the Trade and Merchandise Marks Act, 1958 and provides for protecting the persons in respect of certain matters in Chapter XII dealing with offences.

Clause 153.—This clause deals with the declaration of ownership of trade mark (other than a registered trade mark) not registrable under the Registration Act, 1908. This is in line with section 129 of the existing Act.

Clause 154.—This clause states that the provisions of this Act shall be binding on the Government. This corresponds to section 130 of the existing Act.

Clause 155.—This clause provides for the declaration of any country to be a convention country by notification by the Central Government for the fulfilment of a treaty, convention or arrangement and includes provisions relating to applications for registration from citizens of convention countries. This corresponds to section 131 of the existing Act.

Clause 156.—This clause contains provisions as to reciprocity. If any country does not accord to citizens of India the same rights as to registration and protection of trade marks as it accords to its own nationals, no national of that country is entitled to apply for registration of a trade mark, to apply for registration as a registered user of trade mark or to be registered as the assignee of the registered proprietor of a trade mark in India. This corresponds to section 132 of the existing Act.

Clause 157.—This clause empowers the Central Government for removing difficulties which may arise in giving effect to the provisions of the Act. Every order of the Central Government under this clause is to be laid before each House of Parliament. This power is exercisable only for five years from the commencement of the new Act.

Clause 158.—This clause empowers the Central Government to make rules to carry out the purposes of the new Act on the various matters specified therein. This mainly corresponds to sections 133 and 134 of the existing Act.

Clause 159.—This clause provides for amendment of the enactment specified in the Schedule, *viz.*, sections 20 and 22 of the Companies Act, 1956.

Clause 160.—This clause deals with repeal and savings. Subject to clause 101, relating to transfer of pending appeals from High Courts to Appellate Board, other legal proceedings pending before any court may be continued in that court as if the Act has not been passed. Further, this clause seeks to safeguard existing rights to the continued use of any trade mark and save them from the expanded scope of infringement provisions, under this Bill. This clause further states that the trade marks registered before commencement of the Act shall continue to run for the unexpired term. This clause also provides that existing defensive registered trade marks shall expire after a period of five years or after its unexpired period whichever is earlier.

FINANCIAL MEMORANDUM

In this Bill, provision has been made for providing statutory protection to trade marks in relation to 'services', besides trade marks for goods which are already protected in the existing Act. The term 'service' has been defined in clause 2(1)(x). A number of consequential changes have been incorporated in various other clauses of the Bill. On providing protection to trade mark for 'services', an additional 10,000 applications are expected to be received per annum over and above the present work-load. For handling the additional work and for providing proper services to the customers/public, the staff and facilities of the Trade Marks Registry will require strengthening. For this an estimated expenditure of Rs. 12.30 lakhs as recurring expenditure and Rs. 2 lakhs as non-recurring expenditure towards office furniture, etc., are expected.

2. Clause 84 of the Bill provides for establishment of a Trade Marks Appellate Board for expeditious disposal of appeals on the decisions of the Registrar and for development of sound precedents and practices in this specialised branch of law. Clauses 85 and 91 provide for the composition of the Appellate Board and the staff of the Board. An estimated annual expenditure of about Rs. 15.50 lakhs as recurring expenditure and Rs. 4 lakhs as non-recurring expenditure is envisaged for the Members of the Board, staff, setting up of office, administration, etc.

3. Implementation of the provisions in clauses 3, 5, 6, 8, 20, 84, 89, 91, 148 and 149 of the Bill will involve expenditure from the Consolidated Fund of India. As most of the provisions already form part of the existing statute, the new provisions which are relevant in this respect are only those referred to above.

4. As in the existing Act, the Bill provides for payment of fees in respect of application and registrations and other matters under the Act.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Sub-clause (1) of clause 7 of the Bill empowers the Registrar to classify goods and services in accordance with the International classification of goods and services for the purposes of registration of trade marks.

2. Clause 158 of the Bill empowers the Central Government to make rules to carry out the provisions of the proposed legislation. Sub-clause (2) of that clause enumerates the matters with respect to which the rules may be made under this clause. These matters relate to, *inter alia*, the manner of making of applications and fee payable for such applications under this Bill; the manner in which the Registrar may notify a word as international non-proprietary name; the manner of advertising of an application for registration; form of certificate of registration; manner of making an application for assignment or transmission of a registered trade mark; determination of character of textile goods by sampling; manner of authorising any person to act and to register him as a trade mark agent; form and manner of making appeals to the Appellate Board and salaries and allowances payable and the other terms and conditions of service of the Chairman, and other Members, officers and other employees of the Appellate Board. The power to make rules is, however, subject to the condition of the rules being made after previous publication.

3. The aforesaid matters relate to procedure and administrative details and it is not practicable to provide for them in the Bill itself. The delegation of legislative power is, therefore, of a normal character.

C. K. JAIN,
Secretary-General.

